



DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

7800 HARKINS ROAD  
LANHAM, MD 20706

HOUSING & BUILDING ENERGY PROGRAMS

## Appendix 2

# WEATHERIZATION PROGRAM OPERATIONS MANUAL

Revised August 2015

*The Maryland Department of Housing and Community Development  
(DHCD) pledges to foster the letter and spirit of the law for  
achieving equal housing opportunity in Maryland.  
<http://www.dhcd.state.md.us>*



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## **SECTION 1 INTRODUCTION AND PROGRAM OVERVIEW**

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Weatherization has evolved considerably since its inception in the late 1970's. Today's weatherization comprises a comprehensive series of energy efficiency measures based on a sophisticated analysis of the individual home. This analysis uses a whole-house approach, modeling the entire structure and the proposed improvements in great detail to maximize energy and dollar savings. Because of this rigorous approach and the building science that supports the improvements, low-income weatherization programs have become leaders in advancing residential building science and in helping to create a profitable new industry that provides home energy efficiency services to the wider public, regardless of income.

The Maryland Department of Housing and Community Development's (DHCD) weatherization programs operated by DHCD's Housing and Building Energy Programs (HBEP) unit, helps eligible low-income households with the installation of energy conservation materials in their homes. These measures are intended to reduce both the consumption of energy and maintenance cost for these homes. DHCD administers low-income weatherization programs Statewide, utilizing a number of funding sources that include the U.S. Department of Energy's Weatherization Assistance Program (DOE WAP), the EmPOWER Low-income Energy Efficiency Program (LIEEP), the Low-income Home Energy Assistance Program (LIHEAP), and the Regional Greenhouse Gas Initiative (RGGI), known in Maryland as the Strategic Energy Investment Funds (SEIF).

DHCD's Housing and Building Energy Programs (HBEP) staff provides the management, technical assistance and administrative support for its weatherization programs.

### **SECTION 1.A THE FEDERAL PROGRAM**

The Department of Energy's Weatherization Assistance Program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. Funds are used to improve the energy performance of dwellings of needy families using the most advanced technologies and testing protocols available in the housing industry. The U.S. Department of Energy (DOE) provides funding to states, U.S. overseas territories, and Indian tribal governments, which manage the day-to-day details of the program. These governments, in turn, fund a network of local community action agencies, nonprofit organizations, and local governments that provide these weatherization services in every state, the District of Columbia, U.S. territories, and among Native American tribes.

In Maryland, the Governor designates a Department within State government to serve as the

administering agency for DOE's WAP. Maryland's Department of Housing and Community Development (DHCD), has administered the DOE WAP program in this State since 1987. During the past 27 years, DOE WAP funds have provided weatherization services to more than 6.4 million low-income households across the country. Families receiving weatherization services typically see their annual energy bills reduced by an average of about \$437, depending on fuel prices. Program services are available to both homeowners and renters, with priority given to senior citizens, families with children and persons with disabilities. Because the energy improvements that make up weatherization services are long-lived, the savings add up over time to substantial benefits for weatherization clients and their communities, and the nation as a whole. DOE WAP funding is broken down into three major categories - administration, training/technical assistance and benefits. The number of units weatherized in any given year is a direct result of funding received for the program and the amount of funds allowed by regulation to be spent on each unit.

Each year, HBEP staff prepares and submit a WAP State Plan to the DOE for their review and approval. This State Plan outlines the method for delivering services through the DOE WAP program during the WAP program year, July 1 to June 30. Once the State Plan is approved, HBEP staff process the Weatherization Assistance Agreements (WAA) for the Local Weatherization Agencies.

### **SUBSECTION 1.B THE EmPOWER LOW-INCOME ENERGY EFFICIENCY (LIEEP) PROGRAM**

In 2008, the Maryland General Assembly passed the EmPOWER Maryland Energy Efficiency Act, creating new opportunities for energy efficiency activities in Maryland. The legislation set a target reduction of 15 percent in per capita electricity consumption and demand by 2015 from a 2007 baseline. The legislation also provided for a surcharge to be assessed to ratepayers of the five participating electric companies in order to support programs designed to help meet the aggressive energy savings goal.

The EmPOWER programs are overseen by the Maryland Public Service Commission (PSC), which regulates gas and electric utility companies, and for-profit water and sewage companies in Maryland. The EmPOWER Maryland Energy Efficiency Act required the Baltimore Gas and Electric Company (BGE); Potomac Edison Company (PE); Potomac Electric Power Company (Pepco); Delmarva Power & Light Company (Delmarva); and Southern Maryland Electric Cooperative (SMECO) to submit for review to the PSC three-year plans detailing the provision of energy efficiency activities to all customer classes, including low-income households. Five separate low-income EmPOWER program components began operating under individual utility



administration in 2009.

In 2012, the DHCD submitted a proposal to the PSC, seeking to be designated as the one central administrator and implementer for all five EmPOWER low-income utility programs. DHCD cited its long experience running the DOE Weatherization Assistance Program, its network of local weatherization agencies, and its success expanding weatherization activities statewide with the infusion of the American Reinvestment and Recovery Act (ARRA) weatherization funds. The PSC approved DHCD's proposal and, in April 2012, the agency began operating the EmPOWER Low-income Energy Efficiency Program with a budget of \$45 million through the end of 2014. On December 23rd, 2014, the PSC authorized DHCD to continue as low-income program implementer through December 31, 2017.

The EmPOWER Maryland Low-income Energy Efficiency Program (LIEEP), administered by the Maryland Department of Housing and Community Development (DHCD), helps eligible low-income households by installing energy conservation materials in their homes at no charge. Electrically heated or cooled customers of BGE, PE, Pepco, Delmarva and SMECO with incomes at 200 percent or less of the federal poverty level are eligible to participate in the program. Qualifying households become eligible for installation of energy-saving measures following a comprehensive home energy audit performed by an energy auditor who is a certified building science professional.

HBEP staff prepares a plan for submission to the PSC for continued operation of the EmPOWER LIEEP. EmPOWER activities operate on a three-year cycle and require submission of a three-year plan at the end of each cycle. The EmPOWER LIEEP plan outlines methods, delivery and services with a goal of saving kWh for low-income electric customers. The EmPOWER LIEEP program year and DOE program year coincide with the State of Maryland's fiscal year. Once the EmPOWER LIEEP plan is approved, HBEP staff processes agreements for the Local Weatherization Agencies (LWA) and State Weatherization Contractors (SWC) participating in the EmPOWER LIEEP program.

## **SUBSECTION 1.C STATE ADMINISTRATION**

DHCD's Housing and Building Energy Programs (HBEP) staff provides the management, technical assistance and administrative support for its single-family and multifamily weatherization and energy programs. All current guidelines for the various single-family weatherization programs administered through DHCD (i.e. funding restrictions, income level, assistance per dwelling unit, etc.) are incorporated in this manual.

Each year, HBEP staff prepares and submits a WAP State Plan to the DOE for their review and approval. This State Plan outlines the method for delivering services through the DOE WAP program during the WAP program year, July 1 to June 30. Once the State Plan is approved, HBEP staff process the Weatherization Assistance Agreements (WAA) for the Local Weatherization Agencies.

HBEP staff also prepares a plan for submission to the PSC for continued operation of the EmPOWER LIEEP. EmPOWER activities operate on a three-year cycle and require submission of a three-year plan at the end of each cycle. The EmPOWER LIEEP plan outlines methods, delivery and services with a goal of saving kWh for low-income electric customers. The EmPOWER LIEEP program year and DOE program year coincide with the State of Maryland's fiscal year. Once the EmPOWER LIEEP plan is approved, HBEP staff processes agreements for the Local Weatherization Agencies (LWA) and State Weatherization Contractors (SWC) participating in the EmPOWER LIEEP program.

#### **SUBSECTION 1.D WEATHERIZATION ASSISTANCE AGREEMENTS**

DOE WAP funds are allocated by political subdivision. EmPOWER LIEEP funds are allocated by utility service territory. Once DHCD has determined the local agencies that will provide DOE WAP, EmPOWER LIEEP or both services in each subdivision, an agreement is executed with each agency. This agreement outlines the services between the Department and the Local Weatherization Agency (LWA) or State Weatherization Contractor (SWC) and conveys the program requirements including funding amounts, reporting requirements, and grant periods.

The agreement, at the discretion of the DHCD, may be amended at any time during its term to increase or decrease funds, add or eliminate funding sources, increase or decrease performance periods, or make changes in operation not covered by policies and procedures.

#### **SUB SECTION 1.E PROGRAM OPERATIONS MANUAL (POM)**

The Weatherization Program Operations Manual (POM) has been prepared by DHCD's Housing and Building Energy Program staff, and is intended for use by HBEP and all Network Partners. This Program Operations Manual is HBEP's resource to consolidate all policies germane to the operation of its single-family weatherization programs into a single document. It is intended that this document be an ever-changing reference guide to assist program managers in their efforts to meet the goals and objectives of the program.

The remaining sections of this manual describe the many requirements each LWA and SWC must adhere to when operating DHCD's weatherization programs. As federal, State, PSC or

other regulatory requirements necessitate, DHCD will periodically update the information in this manual.

It is the responsibility of SWC and LWA staff to become familiar with the full contents of this manual.

### **1.E.1 Program Specific Attachments**

Specific funding source guidelines have been attached to the POM for reference and to enable flexibility as specific program guidelines change that do not affect the overall policies and guidelines of DHCD's Weatherization policies. Attachments for each of these sources should be referenced in addition to the overall guidelines. When there is a conflict between guidelines in the attachments and DHCD Weatherization Programs policies, the policies stated for each funding source in the attachment apply. Attachments are included for each of these funding sources:

**Appendix A:** Department of Energy (DOE)

**Appendix B:** EmPower Limited Income Energy Efficiency Program (LIEEP)

**Appendix C:** Maryland Energy Assistance Program (MEAP) / Low-Income Home Energy Assistance Program (LIHEAP)

**Appendix D:** Regional Greenhouse Gas Initiative (RGGI)

**Appendix F:** CIF Targeted and Enhanced Weatherization Program

### **1.E.2 Compliance**

#### **A. Termination of Subgrant Agreements**

Subgrant Agreements may be terminated for any reason permitted by law, including default under the Subgrant Agreement, to the extent provided in the Subgrant Agreement.

##### ***1. Termination for Default***

Grounds for default are identified in Subgrant Agreements. Upon occurrence of default, the Department shall have the right to terminate the Subgrant Agreement with written notice ("Notice of Default") of default to Subgrantee, as described in the Subgrant Agreement. Subgrantee is provided 30 days to cure the default ("30-Day Cure Period"). During the 30-Day Cure Period, Subgrantee may request opportunity to be heard, as is described in paragraph 3, below.

##### ***2. Termination for Reasons Other than Default.***

Where termination is being made for a reason other than default by Subgrantee, the Department will provide a written 30-day notice of termination ("Termination Notice") of a Subgrant

Agreement. The Termination Notice will provide the Department's reasons for termination and advise Subgrantee of its opportunity to be heard.

### **3. *Opportunity to be Heard***

Within 10 days of the date of receiving Notice of Default or Termination Notice, Subgrantee may request in writing a conference with the Department (Attn: Housing and Building Energy Programs (HBEP) Director), to be heard on the reasons for termination ("Termination Conference"). Subgrantee may present information at the Termination Conference addressing the Department's reasons for termination of the Subgrant Agreement. Termination of the Subgrant Agreement will not be effective until the Department makes a decision on Subgrantee's presentation at the Termination Conference.

### **4. *Decision after Termination Conference***

After Subgrantee has an opportunity to be heard at the Termination Meeting, the Department will make a determination regarding whether to proceed with termination of the Subgrant Agreement or rescind the Notice of Default or Termination Notice. The Department will issue a written decision and provide a copy to Subgrantee. If the decision is to proceed with termination of the Subgrant Agreement, termination will be effective either on the date of the written decision, or 30 days from the date of the original Notice of Default or Termination Notice, whichever is later.

## **B. Subgrantee Suspension Pursuant to Subgrant Agreement.**

The Department may suspend Subgrantee from its weatherization assistance program (WAP) immediately upon making a determination that not to do so would pose an imminent danger to life, health, or property. The Department will notify Subgrantee of the date of suspension by certified mail ("Notice of Suspension"). The notice shall include the grounds for the suspension, and identify that Subgrantee may have an opportunity to be heard. If Subgrantee requests opportunity to be heard, it may request a conference with the Department, which must be received by the Department within fifteen (15) days from the mailing date on the Notice of Suspension.

If the Department receives a request from Subgrantee for a conference within fifteen (15) days from the mailing date of the notice of the suspension, the Department will schedule a conference with Subgrantee. After the conference, the Department will promptly take one of the following actions: terminate the Subgrant Agreement; reinstate Subgrantee; or, reinstate Subgrantee subject to Subgrantee meeting any conditions that the Department determines are necessary to cure the reasons for the suspension. To the extent that any such suspension results in termination of a Subgrant Agreement, the procedures identified under this subsection for notice and opportunity to be heard will govern, and not the procedure outlined in Section A, above.

## **C. Contractor Suspension or Debarment from All Programs of the Department.**

Suspension or debarment of Subgrantees from all programs of the Department will follow the

procedure outlined in the Code of Maryland Regulations (COMAR) 05.01.05.01, *et seq.*

To the extent that any such suspension or debarment results in the termination of a Subgrant Agreement, the procedures for notice and opportunity to be heard, as outlined in COMAR 05.01.05.01 *et seq.*, will govern, and not the procedure outlined in Section A, above.

#### **SUBSECTION 1.4 DIRECTIVES**

Directives make “Emergent Policy Changes” to the POM. Directives are effective as of the date on the corresponding Policy Memo, unless another date is specified within the Policy Memo. Revisions applied to the current POM available online at the DHCD website. Directives take precedence over published POM. The policy changes are automatically submitted for review during the next Proposed Change and Review Process. Directives shall be printed and stored with an up-to-date copy of the POM.

#### **SUBSECTION 1.5 PRECEDENCE**

Weatherization projects shall be weatherized in accordance with the Weatherization Programs Operations Manual (Policies and Procedures, Specifications and Standards, Supporting Documents) for the appropriate housing type (single-family, mobile, and multi-family). On April 1, 2015, the Saturn 2014 Maryland Weatherization Field Guide, with the inclusion of the Guidelines for Home Energy Professionals Standard Work Specifications (SWS) replaces the 2009 Saturn Maryland Field Guide.

Policy defines allowable Weatherization Program work. The SWS defines the weatherization work outcomes. The field guide defines applicable work that meets the specifications, objectives, and desired outcomes outlined in the Standard Work Specifications for Home Energy Upgrades (SWS).

Where the referenced documents specify different requirements, materials, or methods of construction the most restrictive shall govern.

#### **SUBSECTION 1.H HANCOCK PROGRAM MANAGEMENT SOFTWARE**

The Hancock Energy Software (HES), a web-based program management system, is used by HBEP staff, LWAs and SWCs to manage the weatherization assistance program. LWAs and SWCs can access the system via a high-speed internet connection. LWAs and SWCs are required to enter data into HES, from initial customer application and intake through to the energy audit and work order, and ending with invoicing of completed jobs.

DHCD monitors the information entered to make allocation assessments and complete quarterly

reports, so it is imperative that the system is completed step by step. Projects not entered accurately as they move from one stage to another in real time, are at risk losing funding when DHCD reviews production projections.

### **1.H.1 Client Status/Pipeline Report**

The client status/Pipeline Report is designed to provide DHCD a status update of all jobs listed in Hancock. This report is used to help HBEP staff determine budget allocation and lead distribution. It is the responsibility of the network partner to ensure the status of each job is properly reflected in Hancock. Spreadsheets and written updates will no longer be accepted. Please follow the below process to verify every job, being serviced is accurately reported in Hancock:

1. Main Hancock Menu; expand Job Menu and select Client Status Report
2. Select the funding source

*Please note for accurate results a funding source must be selected*

1. Leave the county and program year blank
- a. If county specific job status is required, select the appropriate county
2. The target date will default to the current date, this can be changed if needed
3. Hit search
4. Click on the blue numbers to see the specific client detail for each status. This detail will assist in determining if a job has the proper status
1. Bottom left of the screen select pipeline report

In addition, at the time of invoice, all required documentation, including Inspector Approval on Desk Reviews, must be uploaded into the system in order for an invoice to be processed. If an invoice is released because it does not have all the required documentation, the invoice must be resubmitted as a new one.

Hancock also tracks the categories from which we assess LWA and SWC performance and production, including, but not limited to:

- Quality Assurance inspection results
- Comparative kWh savings
- Job cost analysis
- Measures installed

Training is offered by DHCD on the Hancock system at request, and there is phone support during office hours.

## SECTION 2 DEFINITION OF TERMS

In order to clarify the policies and procedures contained in the POM, it is understood that the following definitions apply throughout:

<b>BPI:</b>	The Building Performance Institute provides certification for home energy professionals and is referenced as the auditing standard required in the weatherization program.
<b>Building Envelope:</b>	The area of the building that encloses the conditioned space. Except for the following situations, only the exterior four walls to the ceiling under the attic and the floor above the unheated basement area are considered part of the building envelope. The floor of a unit built on stilts or is above an unheated crawl space is considered a part of the building envelope. The roof of a building that has no ceilings (or that is part of the ceiling) is considered part of the building envelope.
<b>Continuous Ventilation:</b>	Sometimes referred to as general, central, or whole-house ventilation. Should be quiet, low volume, and simple to operate.
<b>DHCD Field Guide:</b>	The DHCD Field Guide should be used as the consistent standard for the installation of weatherization measures.
<b>DOE:</b>	The U.S. Department of Energy provides funding to states, U.S. overseas territories, and Indian tribal governments, which manage the day-to-day details of the program. These governments, in turn, fund a network of local community action agencies, nonprofit organizations, and local governments that provide these weatherization services in every state, the District of Columbia, U.S. territories, and among Native American tribes.
<b>Dwelling Unit:</b>	A house, including a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters.
<b>ECM:</b>	An Energy Conservation Measure is a procedure including materials and installation, which is considered for its anticipated energy savings. An ECM often includes installation of ancillary items but will not include Incidental Repair Measures (IRM).
<b>Elderly Person:</b>	A person who is sixty years of age or older.

<b>Family Unit:</b>	All persons living together in a dwelling unit.
<b>Funding Source:</b>	The source of weatherization funds identified in the Weatherization Assistance Agreement used to reimburse the LWA or SWC for costs associated with providing services to eligible low-income customers.
<b>Hancock Software:</b>	DHCD currently uses the Hancock Energy Software system as the program management software for its weatherization programs. Hancock is the central software program used by DHCD and all network partners to track job progress and consolidate information such as dwelling units, priority service delivery, work orders, inspection status, required forms, and invoicing.
<b>Handicapped:</b>	Any individual who is [1] handicapped as defined in Section 7 (6) of the Rehabilitation Act of 1973; [2] under a disability as defined in Section 1614 (a) (3) (A) or 223 (d) (i) of the Social Security Act or in Section 102 (7) of the Developmental Disabilities Services and Facilities Construction Act; or [3] who is receiving benefits under Chapter 11 or 15 of Title 38, U.S.C.
<b>HBEP:</b>	DHCD's Housing and Building Energy Programs unit, also referred to as DHCD's energy or weatherization programs unit, administers the EmPOWER LIEEP program, the DOE WAP program, the Be SMART program, and additional funds (including RGGI/SEIF and LIHEAP) used for weatherization assistance.
<b>HEAT:</b>	Hancock Energy Audit Tool.
<b>HEP Certifications:</b>	Home Energy Professional (HEP) certifications are nationally recognized professional certifications for weatherization and home performance that have been adopted as requirements by the U.S. Department of Energy (DOE) Developed in coordination with the National Renewable Energy Laboratory (NREL), and administered by the Building Performance Institute, Inc. (BPI), these certifications seek to ensure a standardized approach to quality in the field.
<b>Incidental Repair Measures (IRM):</b>	Those repairs necessary for the effective performance or preservation of weatherization materials. Such repairs include, but are not limited to framing or repairing windows and doors, and providing protective materials, such as paint, used to seal materials installed under this program. Incidental Repairs must be included in the total job cost and cumulatively the job SIR must meet 1.1.



	Incidental Repairs are allowed under DOE funding ONLY, and a justification for each measure must be cited in Hancock along with the ECM to which it must be attached. Incidental repairs will not be approved without this justification.
<b>Intake:</b>	All application processes necessary to enable certification of application.
<b>Intermittent:</b>	Sometimes referred to as spot, local, or source point ventilation. Commonly used in bathroom, kitchen, laundry, and home office. Should remove excessive moisture and pollutants quickly.
<b>Landlord/Tenant Agreement:</b>	Document required for completed application when applicant is a renter. This document verifies that both landlord (homeowner) and applicant understand their rights and obligations. No work can be performed on rental units until this form is completed.
<b>Leverage Activity:</b>	Blending two compatible funding sources to maximize the weatherization services.
<b>LIHEAP:</b>	Low-income Home Energy Assistance Program (LIHEAP) funds are federal funds provided to DHCD through the Maryland Department of Human Resources Office of Home Energy Programs for weatherization, repair of health and safety items, and furnace repair or replacement.
<b>Local Weatherization Agency (LWA):</b>	Also referred to as the "sub-grantee", "network partner" and "local service provider", the LWA is the nonprofit organization, community action agency or local government responsible for providing direct weatherization services for the DOE WAP, EmPOWER LIEEP, and other funding programs in a specific territory or subdivision.
<b>Network Partner:</b>	A LWA or SWC under contract with DHCD to perform weatherization services for eligible Maryland citizens in certain territories within the State
<b>OHEP Certification:</b>	A final determination concerning program income eligibility of a customer by the Maryland Department of Human Resources Office of Home Energy Programs, resulting in the customer's receipt or denial of energy assistance benefits.
<b>Performance Period:</b>	The time period in which the weatherization funds are available for use by the LWA or SWC. No funds can be expended before the start date of the

	performance period and may not be expended after the close of the period.
<b>QA Inspector:</b>	DHCD Quality Assurance Inspectors provide Training and Technical Assistance, monitor work order measures and verify costs, and perform inspections on 10% of weatherized units statewide.
<b>QC Inspector:</b>	The Quality Control Inspector is a BPI certified full-time employee of the LWA/SWC who is responsible for ensuring and certifying to DHCD that all work on the measures list for a dwelling unit is done correctly and completely. The LWA or SWC QC Inspector must perform quality control of 100% of completed, weatherized units, prior to submission of the units to DHCD for invoicing. Beginning PY 2015, QC Inspectors must have the HEP Quality Control Inspector credential in order to perform inspections.
<b>Re-certification:</b>	Re-certification occurs when an application and its supporting documentation are more than twelve (12) months old and the LWA or SWC have not "begun work" on the dwelling unit. A second confirmation of the information must be performed. The applications re-certified are again available for inspection and receipt of weatherization.
<b>Re-weatherized unit (DOE):</b>	Any unit receiving weatherization services prior to September 30, 1994 and has received additional services under existing grants or allowed by current DOE regulations.
<b>Re-weatherized unit (EmPOWER):</b>	Any unit that has received weatherization services more than 5 years prior and has received additional weatherization services under EmPOWER.
<b>Re-Work:</b>	The LWA or SWC returns to a completed unit to perform additional work or make corrections in response to a finding. Processing through Hancock is required.
<b>RGGI/SEIF:</b>	Regional Greenhouse Gas Initiative (RGGI) funds, also known in Maryland as Strategic Energy Investment Fund (SEIF) funds are non-federal resources that are used for weatherization assistance, furnace repair and replacement, and resolution of health and safety items incidental to the provision of weatherization. Appendix C should be referenced for additional details.

<b>Separate Living Quarters:</b>	Living quarters in which the occupants do not live and eat with any other persons in the structures and which have either a direct access from the outside of the building or through a common hall or complete kitchen facilities for the exclusive use of the occupants. The occupants may be a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.
<b>Single-Family Dwelling Unit:</b>	A structure containing no more than one dwelling unit.
<b>SIR:</b>	Savings-to-Investment Ratio: The ratio of life-cycle savings to life-cycle costs adjusted for inflation, energy-cost escalation, and the time value of money. This number is the measure used for cost effectiveness.
<b>SWC:</b>	Statewide Weatherization Contractors are responsible for performing weatherization work in assigned areas. SWCs are ineligible to receive DOE WAP funds.
<b>SWS:</b>	Standard Work Specifications (SWS) define the minimum requirements to ensure that the work performed during energy upgrades in single-family, and manufactured homes is effective, durable, and safe. The SWS will be incorporated into the DHCD Field Guide during PY2015.
<b>T&amp;TA:</b>	Training and Technical Assistance, most often provided by DHCD Quality Assurance Inspectors, but also includes classroom, hands-on and laboratory class settings.
<b>Title XVI:</b>	To be used interchangeably with those income groups known as SSI (Supplemental Security Income).
<b>Unobligated Balance:</b>	The portion of the funds authorized that has not been obligated by LWA or SWC and is determined by deducting the cumulative obligations from the cumulative funds authorized.
<b>WAP Certification:</b>	A final determination concerning program eligibility based on income and ownership, resulting in the customer's receipt or denial of weatherization benefits.
<b>waptac.org:</b>	The <i>Weatherization Assistance Program Technical Assistance Center</i> website is an invaluable repository of information related to the DOE WAP program and

	weatherization practices.
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## **SECTION 3 NETWORK PARTNERS ROLES AND RESPONSIBILITIES**

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Network Partners administer the HBEP's funded programs on the local level. They are the first point of contact for low-income households, who are the primary beneficiaries of weatherization assistance. They are also the contact for multi-family building owners, who are also partners in the weatherization process. Network Partners perform most of the functions that are necessary to meet program goals and follow procedures to ensure compliance with all program requirements. Network Partners are responsible for ensuring that weatherization funds are only expended on eligible activities and on behalf of eligible households. They are responsible for meeting energy efficiency and technical performance goals of the program, and for educating assisted households, and building owners. Together with HBEP and other program partners, Network Partners foster the technical advancement of the program and provide the public "face" of weatherization. Network Partners are also responsible for cooperating with HBEP in providing information to DOE, PSC to other State agencies such as the Department of Human Resources, and to the public. Network Partners, by contract with DHCD, are responsible for meeting all of the terms and conditions of this manual and other contract documentation. Any Network Partners with questions on any provision in this manual is encouraged to contact HBEP. It is the responsibility of Network Partners to read and understand this manual and to provide training for internal staff to know and understand the contents of this manual.

### **SUBSECTION 3.A LOCAL WEATHERIZATION AGENCIES AND STATEWIDE WEATHERIZATION CONTRACTORS MINIMUM REQUIREMENTS**

Network Partners (NP) shall maintain a Work Plan that details how the NP shall fulfill the responsibilities and complete the work as described in this POM. The Contractor agrees to maintain and update the work plan and make the Work Plan available to DHCD upon request.

The NP shall have at least three (3) years of experience providing weatherization services.

The NP shall have the financial capacity to provide weatherization services for not less than fifteen (15) housing units each month. As proof of meeting this requirement, during the annual application process, the NP shall provide evidence be in the form of:

- Recently audited (or best available) financial statements, including a certification by the Chief Financial Officer (or equivalent officer) that the statements are accurate and reliable and indicative of adequate working capital;
- Lines of credit;
- Successful financial track record;
- Adequate working capital; or

- Financial Rating, such as provided by Dun and Bradstreet.

The NP shall be licensed in good standing by the Maryland Home Improvement Commission Board (MHIC), have an MHIC number and provide a copy of their MHIC license. Local governments are exempt from this requirement.

The NP shall possess one (1) blower door kit complete with the DM 32W Dual Channel Touchscreen Manometer and one (1) Combustion Analysis Kit per Energy Auditor / Quality Control Inspector.

<b>All Weatherization Installers shall have:</b>
<ul style="list-style-type: none"> <li>• EPA Lead Repair Renovation and Painting (RRP) certification</li> <li>• Weatherization Installer Fundamentals (formerly “<i>Weatherization Tactics</i>”)</li> <li>• OSHA 10-hour General Industry Construction Safety Certification.</li> </ul>
<b>All Crew Leaders shall have:</b>
<ul style="list-style-type: none"> <li>• Crew Leader Fundamentals</li> <li>• EPA Lead Repair Renovation and Painting (RRP) certification</li> <li>• Weatherization Installer Fundamentals (formerly “<i>Weatherization Tactics</i>”)</li> <li>• OSHA 30-hour General Industry Construction Safety Certification.</li> </ul>
<b>All energy auditors shall have:</b>
<ul style="list-style-type: none"> <li>• BPI Building Analyst Professional or BPI Envelope Professional Certification</li> <li>• OSHA 30-hour General Industry Construction Safety Certification</li> <li>• EPA Lead Repair Renovation and Painting (RRP) Certification</li> <li>• Weatherization Installer Fundamentals (formerly “<i>Weatherization Tactics</i>”)</li> <li>• All energy auditors shall obtain the HEP Energy Auditor credential by <b>June 30, 2016</b>.</li> </ul>
<b>All Quality Control (QC) inspectors shall have:</b>
<ul style="list-style-type: none"> <li>• Home Energy Professional Quality Control Inspector credential</li> <li>• BPI Building Analyst Professional or BPI Envelope Professional Certification</li> <li>• OSHA 30-hour General Industry Construction Safety certification</li> <li>• EPA Lead Repair Renovation and Painting (RRP) certification</li> <li>• Weatherization Installer Fundamentals (formerly “<i>Weatherization Tactics</i>”)</li> </ul>

### SUBSECTION 3.B BUDGET AND PRODUCTION

Network Partners are required to monitor their expenditures and production throughout each budget period and make adjustments necessary to complete their production goal and fully expend their budget period allocation. Partners should assess their expenditures and production each month, and again 90 days prior to the end date of the budget period. This assessment should review expenditures and production to date, as well as any anticipated expenditures and production through the end of the budget period.

If the total projected expenditures or production for the budget period has changed significantly from the last approved budget for that budget period, or if the projected expenditures within budget categories vary significantly from the last approved budget for that budget period, HBEP program staff should be consulted to determine whether a budget amendment is necessary.

It is the responsibility of the Network Partner to analyze their budget and manage production and expenditures accordingly.

### **SUBSECTION 3.C DOCUMENTATION OF SERVICE DELIVERY**

The LWA/SWC must implement and maintain record-keeping procedures that reflect effective and efficient program management and document all activities relating to delivery of weatherization services to eligible households. The LWA/SWC is also required to generate accurate reports regarding each weatherization project and the status of the program.

The LWA/SWC must develop and maintain an organized and usable filing system containing the information necessary to prepare all required reports. It is the responsibility of the LWA/SWC to ensure that all weatherization files are complete, accurate and accessible for review by DHCD and federal staff (if DOE WAP funds have been provided). Records related to the use of DOE WAP funds must be maintained and reasonably accessible for a minimum of 3 years following the close of the associated federal grant.

### **SUBSECTION 3.D REGULATIONS FILES**

DHCD's weatherization programs, including EmPOWER LIEEP and DOE WAP, are governed by program regulations that define permitted activities. It is important that these regulations are maintained and accessible for easy reference.

The file should contain at least the following for applicable awards:

- Program Operations Manual,
- transmittal letters, technical assistance letters and other directive or guidance documents relating to DHCD's weatherization programs

- Department of Energy Federal Regulations (10 CFR 440, 10 CFR 600, OMB circulars) and amendments
- DOE WAP State Plan (required for sub-grantees receiving DOE WAP sub-grants)
- 2014 Saturn Maryland Field Guide
- All Previous Annual Monitoring Report (required for sub-grantees receiving DOE WAP sub-grants)

### **SUBSECTION 3.E THE STATE WEATHERIZATION CONTRACTORS (SWC)**

Statewide Weatherization Contractors are for-profit contractors and are not eligible to perform services for DOE WAP, but are eligible to perform under the EmPOWER LIEEP program, and other funding sources. They provide weatherization services to EmPOWER counties statewide throughout the designated utility provider's service territory and for Crisis calls throughout a specific region. SWC's are selected through a Request For Proposal (RFP) through the State of Maryland procurement process based on experience, capacity, and capability for the territories they designate and on which they bid.

### **SUBSECTION 3.F MINORITY BUSINESS ENTERPRISE (MBE)**

SWCs are required to adhere to certain MBE subcontractor goals of an established percent of the total dollar amount of the contract. Subgoals may also be established for four categories; African American MBE Participation, Asian American MBE Participation, Hispanic American MBE Participation and Women-Owned MBE Participation.

Contractors and MBE subcontractors are required to submit monthly payment reports to DHCD Office of Fair Practices. Liquidated damages will apply in the event the contractor fails to comply in good faith with the requirements of the program.

For details on the process, see MBE Attachment D-1A MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule – Instructions.





## **SECTION 4 LOCAL WEATHERIZATION AGENCIES (LWA's)**

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Local Weatherization Agencies (LWAs) provide services in select areas for funding including the DOE WAP, EmPOWER LIEEP programs, and regional funding opportunities as they become available. Local government agencies interested in serving as an LWA are invited to apply through DHCD's annual application process. Beginning program year 2015, DHCD will use a Request For Application (RFA), annually, to select local governments and nonprofit or community action agencies to deliver weatherization services in the State of Maryland, under DOE's Weatherization Assistance Program. Selection will be based on experience, technical qualifications, technical and financial capacity, and capability to perform in the proposed political subdivision.

### **SUBSECTION 4.A DOE WAP NOT TO EXCEED PRICE LIST**

The LWA shall adhere to the Maryland Standard Weatherization Measure Price List, provided here as "[Appendix G](#)" and referred to herein as "Price List". The Price list is to be used as not-to-exceed values for measures billed under the Department of Energy (DOE) funded portion of the Maryland Weatherization Program. Agencies must bill for actual costs and retain sufficient inventory and personnel records to justify actual costs billed. Actual costs for measures must be equal to or lesser than the values listed on the Price List. The LWA must make back-up justification available to DHCD upon request.

### **SUBSECTION 4.B PROGRAM OVERSIGHT AND MONITORING (DOE)**

As stated in the U.S. DOE Weatherization Program Notice (WPN) 12-5, Updated Weatherization Assistance Program Monitoring Guidance, the purpose of monitoring is to ensure timely use of funds and realization of expected benefits. It is also to provide transparency and accountability. Additionally it is to provide quality assurance and controls. All subgrantees must be in compliance with U.S. DOE rules and regulations as well as the DHCD Program Operations Manual (POM) and state and local laws.

DHCD is required to monitor all subgrantees at least once per year in accordance with 10 CFR Part 440. Prior to the monitoring visit, the Onsite Monitoring Checklist is shared with the subgrantee. The checklist is attached as Appendix E. It includes a list of materials to have available for the visit. The checklist is used to verify the various documents and materials reviewed during the visit. Both programmatic and fiscal documents and materials are reviewed. For additional DHCD fiscal information, refer to Financial Management section included in this manual. Written reports are issued to subgrantees within 30 days of the monitoring visit. The reports include the following categories; finding, concern, recommendation, commendation and

best practice.

<b>Finding</b>	A Finding can be a non-compliance with federal regulation or guidance, or a repeated or previously identified non-addressed correction or concern. Examples include misuse of funds, inadequate inventory control, inaccurate income eligibility determination, illegal procurement or insufficient insurance.
<b>Concern</b>	Concern is either a violation of guidance that is not a regulation, minor correction for the future or problems that may jeopardize the program. Examples include file omissions, failing to follow the state plan, policies and procedures or improper training of staff.
<b>Recommendation</b>	Recommendations are suggestions to assist with compliance, improve merits of the program or identification of opportunities for training and technical assistance (T&TA) or guidance. Improvement/Commendation is used if corrections have been made since the last monitoring visit.
<b>Best Practice</b>	Best Practice is used to complement good work and potentially share with other network partners.

If there are findings, the relevant federal regulation, weatherization program notice (WPN) guidance or the grantee's guidance document is cited. The subgrantee then has 30 days to provide a written Corrective Action Plan (CAP) to DHCD. Corrective actions may also be requested for any concerns identified. For subgrantees with findings additional monitoring visits may be scheduled. Files are maintained for all monitoring visits and are available for review by U.S. DOE.

DHCD maintains a tracking form listing the dates that each LWA was last monitored and whether or not there were any findings, concerns, recommendations, commendations or best practices. It also identified whether or not the status of the review remains open or has been closed. The Monitoring Follow-Up Tracking Checklist is kept on file and signed by the Senior Program Manager after any issues have been resolved.

The Quality Management Assurance (QMAs) technical visits, that are also required, are currently provided separate from the programmatic and fiscal reviews. DHCD QA staff visit a minimum of 10% of units. A consolidated technical monitoring report will be included as a section in the annual monitoring report.

Annual monitoring is described in greater detail in the annual State Plan.

#### **SUBSECTION 4.C LWA OUTREACH**

Subgrantees have an obligation to make sure that all eligible households in their service area have access to program services and to affirmatively market the program to those least likely to apply. When promoting the WAP, subgrantee publications and advertisements must include statements and/or information that DHCD is the funding agency. It is essential that subgrantees provide outreach so that all eligible households in their service area, including those with concentrations of minority groups or others that are not likely to apply without targeted outreach, are aware of the program. This may include outreach to neighborhoods or areas other than the one in which the subgrantee is located. The subgrantee outreach function should ensure that WAP information is readily available at all local human services and governmental agencies serving low-income persons and that staff of those agencies are familiar with WAP. DOE has Spanish-language outreach materials available, and in some areas subgrantees may need to make arrangements to conduct applicant services in languages other than English or Spanish.

Subgrantee must have written protocols in their operations manuals describing their outreach efforts and applicant selection process that address the demographics of their service area with specific reference to how they identify and serve owners and renters and other populations with special needs.

#### **SUBSECTION 4.D INTAKE AND INTER-AGENCY MARYLAND DEPARTMENT OF HUMAN RESOURCES (DHR) OFFICE OF HOME ENERGY PROGRAMS (OHEP) OFFICES**

LWAs' are able to provide intake services to participants in their area provided those participants who are not already enrolled or are enrolling in OHEP energy assistance programs. Subgrantees must qualify each dwelling unit in accordance with DHCD Directives, DOE Program Guidelines and Federal Poverty Income Guidelines. Subgrantees must maintain records for each client served which may be inspected by DHCD and DOE at any time. Where the LWA shares an inter-office agency with an OHEP office, LWA's are not permitted to receive direct referrals from that office, unless given express approval from DHCD HBEP staff. All OHEP referrals are distributed centrally from DHCD.

**4.D.1 Each Intake location must be able to ensure:**

The applicant is given an appointment or is interviewed at the local agency's designated intake site(s) or residence of the applicant if the individual is handicapped or has other access problems. If the applicant does not furnish all required information during the initial intake interview, the agency follows the procedures for "Pending Cases". Upon completion of the application and a review of the required documentation, the LWA makes an initial determination of eligibility or verifies if referral has been made through OHEP. For the DOE WAP program, the LWA must verify that the dwelling unit has not been weatherized since September 30, 1994. If so, the dwelling is not eligible for weatherization services. For the EmPOWER LIEEP program, a customer is ineligible from receiving weatherization services if they received weatherization within the previous five years.

Persons requesting weatherization services may make application either in person or by proxy to their local agency. The agency providing intake services must ensure that all information is complete. Upon DHCD approval and verification that the applicant is not already on the OHEP list, client information is then entered into the Hancock system and assigned a job number. If the client is already on the OHEP list, the agency is not eligible for Intake Fees.

The agency must ensure that all required documents as noted in "*Section 5 CUSTOMER APPLICATION PROCESS AND ELIGIBILITY DETERMINATION*", are in the file. Hancock software will determine the priority status of the case and the LWA/SWC will forward the file for scheduling or denial.

**SUBSECTION 4.E TARGETING OF ELIGIBLE POPULATION FOR DOE WAP PARTICIPATION**

Prioritization is used to identify and provide weatherization services to eligible households. Listed below are the specific criteria used by LWAs in prioritizing eligible dwelling units to be served:

Households with high energy use according to utility information	Households with a high energy burden
Elderly (defined as 60 years old or older)	Persons with a disability ("Handicapped")
Households with children	Households with incomes below poverty levels

Renters in both single and multi-unit developments are eligible for DOE and ancillary funds; All applicants must provide their utility account number and sign a release to allow DHCD to access their utility usage information directly from the utility provider.

Non-targeted dwelling units are those with households whose income does not exceed 200% of poverty and who are not referenced above. Service to these units will be allowed on a first come, first served basis after all target units have been prioritized. Priority applications must be considered first for certification and service delivery.

#### **SUBSECTION 4.F COMPLAINT PROCESS**

Subgrantees must provide a form to clients outlining the complaint process at the time of application. The form must capture client information, the nature of the complaint, the subgrantee personnel assigned to resolve the complaint and any resolution steps.

## SECTION 5 CUSTOMER APPLICATION PROCESS AND ELIGIBILITY DETERMINATION

The State coordinates the applicant intake process using the statewide Office of Home Energy Program's (OHEP) approved energy assistance applicants list and by direct application. The State will provide intake information on the approved applicants list that will need to be verified by the energy auditor at the audit interview. These applications are income certified and DHCD requires no further income verification. Intake officers are required to work year round. The certified applicants are distributed to the SWC/LWA network on a monthly basis. It is the responsibility of the SWCs/LWAs to enter each client in Hancock, create a hard file for each applicant, and contact the applicant to schedule an energy audit. If unable to reach the applicant, the LWA/SWC is responsible to send the listed applicant an eligibility notification letter with contact information and instructions regarding next steps to schedule an energy audit. SWCs and LWAs are expected to take every step possible to contact applicant before turning away the application. SWCs and LWAs shall at minimum attempt contact at at least three distinct times and days to accommodate an applicant's availability. A visit to the applicant's home is strongly encouraged when other means of contact have failed.

OHEP lead lists will be distributed on or about the 15<sup>th</sup> day of each month. These leads will be screened for previous weatherization using EmPower or DOE funds. DHCD will send eligibility letters to each screened client. These letters include the name of and contact information for the assigned LWA/SWC.

Every lead list will contain duplicates, even after screening. These duplicate applicants must be returned to DHCD Intake for final approval.

The following applicant information is required and will be provided under State intake coordination:

Household Demographic Information	Living Arrangement, i.e. renter, home owner
County of Residence	Poverty Level Percentage
OHEP Certification Date	Household Size
Applicant's Name	Household Income
Applicant's Address	Seniors (over 60) in Residence
Applicant's Telephone Number	Disabled Persons
Utility Vendor and Account #	Children in Residence

Housing Type (i.e., single-family home, apartment, etc.)	Annual Household Energy Consumption
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Once the approved applicant has been selected from the list and the audit has been scheduled, the SWC/LWA must verify that the dwelling unit has not been previously weatherized by searching the Hancock database. DHCD's weatherization records for customers assisted prior to 2009 are available in the Hancock system, by accessing the "Imported Clients" list under the "General Information" section of the Hancock system. At the time of audit, a second verification must be made by visually assessing the home for installed weatherization measures. If weatherization measures have been installed DHCD should be notified.

If the home is found to have been previously weatherized, the dwelling is not eligible for weatherization services based on these guidelines:

- DOE – dwelling unit must be weatherized prior to October 1994 to qualify for additional weatherization
- EmPOWER – dwelling unit cannot have received weatherization services in the past five years.

*It is important to note that DHCD has been unsuccessful in obtaining, from the EmPOWER utilities, a record of all customers weatherized by EmPOWER utility programs from 2009-2012.*

The Weatherization Assistance program prioritizes applicants for service in the Hancock system as follows:

<b>DOE WAP</b>	<ol style="list-style-type: none"> <li>1. Households with high energy use according to utility information;</li> <li>2. Households with a high energy burden;</li> <li>3. Elderly;</li> <li>4. Handicapped;</li> <li>5. Homeowners;</li> <li>6. Households with children;</li> <li>7. Households with incomes below poverty levels.</li> </ol>
<b>EmPOWER LIEEP</b>	The LIEEP program gths households with high energy use according to utility bills.

Renters in both single and multi-unit developments are eligible. All applicants must provide their utility account number and sign a release to allow DHCD to access their utility usage



information directly from the utility provider. Applicants for the EmPOWER LIEEP program must provide a copy of their utility bill or other documentation to demonstrate that they are residential customers of an EmPOWER participating utility.

## **SUBSECTION 5.A CUSTOMER INTAKE BY AGENCY**

Persons requesting weatherization services may make application either in person or by proxy to their local agency. The following are the basic requirements for each applicant requesting weatherization services when they come directly to the local weatherization agency for services. The agency providing intake services must ensure that all information is complete. Upon DHCD approval and verification that the applicant is not already on the OHEP list, client information is then entered into the Hancock system and assigned a job number. If the client is already on the OHEP list, the agency is not eligible for Intake Fees. The agency must ensure that all required documents as noted in “*C. Eligibility Determination*” of this section, are in the file. Hancock software will determine the priority status of the case and the LWA/SWC will forward the file for scheduling or denial.

### **SUBSECTION 5.A.1 Intake Locations**

Each Intake location must be able to ensure:

- The applicant is given an appointment or is interviewed at the local agency's designated intake site(s) or residence of the applicant if the individual is handicapped or has other access problems.
- If the applicant does not furnish all required information during the initial intake interview, the agency follows the procedures for "Pending Cases".
- Upon completion of the application and a review of the required documentation, the LWA or SWC makes an initial determination of eligibility or verifies if referral has been made through OHEP.
- For the DOE WAP program, the LWA must verify that the dwelling unit has not been weatherized since September 30, 1994. If so, the dwelling is not eligible for weatherization services.
- For the EmPOWER LIEEP program, a customer is ineligible from receiving weatherization services if they received weatherization within the previous five years.

### **SUBSECTION 5.A.2 Client File**

A client file with hard copies of applicant documents shall be created by the SWC/LWA which includes the Job Control Number that will be created by Hancock:

- Application intake information data sheet. This form can be specific to the intake agency but must include all of the data on the OHEP application.

- Forms that ***require*** client/occupant signature:
  - Permission to Enter form,;
  - Customer Quality Control form;
  - Renovate Right EPA Lead form;
  - Permission to access utility consumption form;
  - All required eligibility determination forms;
  - Tenant synopsis (For Rentals).
- These forms are required for reimbursement.
  - All required eligibility forms;
  - Any dwelling unit specific forms, including Rental Unit forms requirements, Deferral forms, etc;
  - Copy of the HEAT Audit;
  - Copy of Work Order.

The SWC/LWA must ensure that all information is complete, and all required documents are in the file and uploaded into Hancock.

### **SUBSECTION 5.A.3 Renters**

A current electric bill and *Permission to Enter Form* must be executed between the agency and owner. Following the audit, a list of proposed measures must be authorized by the landlord on the Building Owner's Agreement. The Tenant must sign the Tenant Synopsis Form and receive a Weatherization Information Sheet form at the weatherization work. These forms are required for reimbursement of services.

Effective July 1, 2015, EmPOWER funds may be used in tenant occupied units for weatherization and related services, excluding HVAC and appliance replacements. Tenant occupied units where replacement of HVAC or other equipment or appliances is warranted shall only be completed with state approval and if there are sufficient ancillary funds available to pay for the equipment being replaced. When weatherization can only proceed with the replacement of HVAC or other equipment or appliances and ancillary funding is not available, the case will be deferred according to the deferral policy.

DHCD is interested in the weatherization of multi-unit affordable housing developments where there are separately metered units and no common spaces (not multifamily). When there is an opportunity to weatherize a multi-unit development under EmPOWER LIEEP, and there is a property owner willing to fund 50% of HVAC, appliance, and/or other equipment, the job should be coordinated with DHCD for approval.

**Multi-unit Rental Project Approval:**

1. Network Partner identifies a potential project site and submits to DHCD for approval.
2. The multi-unit development must be configured as a townhouse, garden style, or “walk-up”.
3. DHCD QA visits the project to approve the project as eligible prior to energy auditing. DHCD assesses the likelihood of HVAC, appliance, or other equipment replacement.
4. If DHCD and the Network Partner identify a potential need for replacement of HVAC, appliance, or other equipment, DHCD contacts the property owner to determine if they are willing to pay 50% of that cost.
5. If the project is eligible and no HVAC, appliance, or other equipment is needed, the project will proceed under EmPOWER according to policy, as detailed in this manual.
6. If the project is eligible and the energy audit reveals the need for HVAC, appliance, or other equipment replacement, DHCD will work with the property owner and the Network Partner to create a Memorandum of Agreement to capture a 50% landlord contribution toward the cost of replacing HVAC, appliances, or any other equipment.

***The project may not be approved if the property owner is not willing to fund 50% of the cost for required HVAC, appliance, or any other required equipment.***

**SUBSECTION 5.A.4 Application by Proxy**

An applicant who is unable to apply for weatherization in person may have his/her application made by the applicant's authorized agent or proxy provided that the *Proxy Authorization Form* is completed and signed by the applicant. A proxy may be an adult member of the applicant's household or a relative, neighbor, or other authorized agent.

The *Proxy Authorization Form* must be completed and signed by the applicant and the proxy before the intake interview. Note that the applicant and proxy signatures must be witnessed.

The applicant's proxy participates in the intake interview and provides all information and documentation for the applicant. The proxy must provide proof of the applicant's identity and residence as outlined in the application procedures in the beginning of this chapter.

“John Doe for Jane Jones” (proxy)                      (applicant)
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The proxy signs the application for assistance and related forms in the following manner:

#### **SUBSECTION 5.A.5 Duplicate Application Check**

Customers eligible for the DOE WAP program may not have received weatherization services since September 30, 1994. Customers eligible for the EmPOWER LIEEP program may not receive services if they previously received weatherization within the five most recent years. A manual or automated duplicate check through the Hancock system must be used to make the initial determination of previous weatherization services. (DHCD's weatherization records for customers assisted prior to 2009 are available in the Hancock system, by accessing the "Imported Clients" list under the "General Information" section of the Hancock system.)

The intake worker must check existing files or a central database that are maintained by: (1) applicant name and (2) applicant address, with the newly completed application to determine if a previous application has been certified.

If no previous files are found, a file is established and the intake worker completes the application process to determine if the applicant household is eligible for weatherization services.

If files are found, indicating a previously certified application for this same customer, the intake worker reviews the existing certified applicant file. If the application is confirmed to be a duplicate showing that the applicant previously received weatherization assistance, the intake worker initiates the denial process.

In cases where, upon completion of the Energy Audit, the Auditor visually determines that post-1994 weatherization work has been performed and federal funds will be used, the intake officer is informed and the customer is ineligible for assistance through DOE WAP. If the weatherization work is determined to have been performed less than five years ago, the customer may not receive assistance through EmPOWER LIEEP. All agencies must have the capability to perform a duplicate application check through manual or administrative means.

#### **SUBSECTION 5.A.6 Income Guidelines**

The following poverty income guidelines are effective beginning 2015 and are to be used by each local agency for certifying an applicant's income eligibility. Poverty income guidelines are generally adjusted once a year.

Size of Family Unit	Threshold	200%
1	\$11,770	\$23,540
2	\$15,930	\$31,860
3	\$20,090	\$40,180
4	\$24,250	\$48,500
5	\$28,410	\$56,820
6	\$32,570	\$65,140
7	\$36,730	\$73,460
8	\$40,890	\$81,780
<p><i>For families with more than 8 persons, 100% of poverty level increases \$4,060 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$8,120 for each additional person.</i></p>		

#### **SUBSECTION 5.A.7 Declaration of Intake Form**

Applicants and/or members of the applicant's household who receive income from Social Security, SSI or public assistance, or who possess a Medicaid Card, may complete the Declaration of Income Form if other forms of documentation are not available. The Declaration of Income Form is useful for zero income individuals and in cases where information from Social Security or other public assistance agencies has been delayed for more than three weeks.

If the household members do not complete this form in the presence of a weatherization or OHEP intake worker, the Declaration may be given to the applicant to be completed at home. In cases such as this, the form must be completed, witnessed/notarized, and signed before returning it to the local agency's office. If the form is completed in the local agency's office by an intake office it need not be witnessed or notarized.

#### **SUBSECTION 5.A.8 Income Certification**

Income Certification is the determination of whether or not the total household income falls between 0-200% of poverty or is eligible under Title IV and Title XVI of the Social Security Act. Weatherization certification includes both income certification and homeowner certification. The process results in either a final determination of eligibility or denial of assistance. The certification process occurs in one of the two ways:

1. OHEP Referred: These cases have already been deemed income eligible by OHEP and weatherization certifies home ownership and tenant/landlord compliance.
2. In-house Certification: Weatherization staff take the application, certify income, and certify home ownership and tenant/landlord compliance

The application must be certified by someone other than the original intake worker to ensure that the eligibility determination is accurate. The certifier reviews the application for completeness and the calculations for accuracy. The certifier also reviews other supporting documentation including proof of property ownership. If the application is incomplete or requires additional information, the certifier consults with the original intake worker for appropriate follow-up with the applicant. If the application is complete and the certifier also determines the applicant is eligible, he/she then initials and dates the application. If the certifier determines the applicant ineligible, he/she records the reasons fully on the back of the application, crosses out the word

"eligible" on the application, and signs and dates the form. If the certifier's determination conflicts with the intake worker's decision, the certifier consults with the intake worker to resolve the differences. The denial process commences if the client is ineligible. If the applicant is eligible, the priority status is determined and the application is forwarded for estimating. Certification must occur within 30 working days after receipt of application. If the applicant is eligible, the applicant must be notified in writing within five (5) working days after the client has been determined weatherization-certified and eligible.

#### **SUBSECTION 5.A.9 Recertification**

If an application is dated more than twelve months prior, it must be recertified for weatherization services. The age of the application is determined by the date of original intake, whether OHEP or weatherization.

The Documentation of Income procedures of the manual should be followed as well as the Certification Procedures previously outlined. However, for households whose total income is Social Security or Supplemental Security Income, S.S.I. , the Recertification of SSI form may be used.

#### **SUBSECTION 5.A.10 Third Party Certification**

In certain situations, it may be possible to obtain approval to use third party certification of applicant income. The use of third party certification will be allowable only when the local agency requests such use in writing. The request to DHCD approving this procedure must occur prior to the use of this type of income documentation. Approval will be given on a case-by-case basis. In addition, DOE will be contacted when a request is made by the LWA. DOE will have final approval of third party certification.

As a guideline for third party certification, the documentation of income must have occurred within the thirty 30 day period immediately preceding the application date. Exceptions to this may only be granted by the U.S. DOE.

Third party files must contain signed and dated documents from the source of applicant income. Telephone verification of income is not acceptable. The agency is responsible for the accuracy of income documents (i.e., matching income sources on application, amounts reconciliation, etc.). Copies of the income certification documents must be included in the agency files with notation that a third party source was used.

### **SUBSECTION 5.A.11 Allowable and disallowed income**

Income eligibility will be based on all gross income received by the household during the 30 days preceding the date of application. Household members who are self-employed must document their income for a twelve month period. Household income is defined as compensation received from one or more of the following sources (gross amounts, unless otherwise noted below):

<b>Allowable Income</b>	<b>Disallowed Income</b>
Money, wages and salaries before any deductions, Net receipts from self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses), Regular payments from social security, Retirement, annuities, pensions, IRAs, Unemployment compensation, Strike benefits from union funds, Workman's compensation, Veteran's payments, Training stipends, Alimony, Military family allotments, Dividends and Interest, Net Rental income, Net royalties, Periodic receipts from estates or trusts, Net gambling and lottery winnings.	Capital gains, Any assets drawn down as withdrawals from a bank, the sale of property, a house, or a car, One-time payments from a welfare agency to a family or person who is in temporary financial difficulty, Tax refunds, Gifts, Loans, Lump-sum inheritances, One-time insurance payments, or compensation for injury, Non-cash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, The value of food and fuel produced and consumed on farms, The imputed value of rent from owner-occupied non-farm or farm housing, Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, housing assistance and combat zone pay to the military, Child Support Payments, College Scholarships



### **SUBSECTION 5.A.12 Procedures for Screening and Documenting Income**

Acceptable forms of documentation for the 30 day period immediately preceding the application includes the following:

<b>Income Source</b>	<b>Acceptable Documentation</b>
<b>Wages or Salaries</b>	Weekly pay period - four latest pay stubs; Bi-weekly or twice monthly - the two latest pay stubs; Monthly pay period - the latest pay stub; or A signed statement from the employer, on official company letterhead showing the employee's name, the day the income was received, and for what time period, gross pay and net pay.
<b>TANF and General Public Assistance</b>	A grant award letter dated within 30 days of the application or a copy of a recent check if there is no reduction in benefit. A grant award letter dated within 90 days may be accepted if the applicant has a current Medicaid card. A Declaration of Income may also be used, until such time as documentation of income can be produced; Verification of open case number of Master File for Departments of Social Services plus case worker's name and phone number; Medicaid Card (not Medicare) with Declaration of Income Form. Note the expiration date of the Medicaid Card to assure its validity.
<b>Social Security or SSI</b>	Latest award letter or copy of check received within 90 days of application or copy of most recent check; Medicare card (not Medicaid) with Declaration of Income Form; Verification from local SSI Office; or Current bank statement for direct deposits.
<b>Veteran's Pension, Retirement, Worker' Compensation</b>	A signed statement on official paper showing: Name of the person receiving the benefits; Name of the agency providing the benefits; Amount of money provided; How often money is provided; and Duration of benefits. A copy of the latest benefit check for the period covered; Computerized annual benefit card (civil service retirement).

<b>Unemployment Insurance Compensation</b>	<p>A signed Request for Verification of Unemployment Benefits from the local employment office stating the amount of benefits received in the 30 days prior to application date.</p> <p>All benefits received during the 30 day period is to be considered as income;</p> <p>The benefit history record reported by the terminal inquiry system (for Departments of Social Services only);</p>
<b>Self-Employment</b>	<p>Business records for 3 months prior to date of application showing gross income and expenses; or</p> <p>Copy of business and personal tax returns for previous year; or Signed statement by corporation's accountant describing the compensation arrangement between the corporation and the applicant.</p>
<b>Rental Income</b>	<p>A copy of the applicant's last Federal Form 1040 Schedule E (divide rental income by 12);</p> <p>A copy of current, fully executed lease.</p> <p>A signed statement from the renter, roomer or boarder, showing:</p> <p>To whom the money is paid;</p> <p>Name and address of person giving the money;</p> <p>Amount of money given;</p> <p>How often the money is given.</p>
<p><b>NOTE:</b> The forms of documentation outlined above are preferred for their clarity and reliability in verifying the period in question, i.e. 30 days preceding application date. It is recognized, however, that in some cases local agencies may find it necessary to seek forms of documentation other than those described. In such cases, the documentation presented must be in writing, dated within 30 days of the application, and record the gross amount of income received by the person named for the period in question. The documentation should be signed by the provider of this information.</p>	

#### **SUBSECTION 5.A.13 Proof of Ownership**

A dwelling unit shall not be audited or weatherized unless the applicant provides evidence that he/she is the owner or the owner's representative. In the case of a renter, the owner or his representative must sign the Building Owner's Agreement and provide proof of ownership. Proof of ownership may be verified by utilizing any one of the following methods:

**Tax Bill**

- Homeowner - use only if the name and address of the client is the same as the application form.
- Renter - use only if the name and address of the landlord is the same as the Landlord/Tenant Agreement.

**Copy of Deed**

- Homeowner - a copy of the homeowner's deed can be used if the homeowner's name and address matches the name and address on the application.
- Renter - a copy of the homeowner's deed can be used if the name and address matches the Landlord/Tenant Agreement.

**Title Search**

- A printed copy of the Maryland Real Property data sheet for the property can be accessed by the homeowner, the landlord, or the local agency office online at:  
<http://sdatt.resi.usa.org/RealProperty/Pages/default.aspx>

**Absentee Landlords** - If an agent is acting on behalf of a landlord, the agent is required to present a notarized statement from the original landlord to act on behalf of, or as agent for, the property owner. This also applies to the Tax Bill and/or copy of the deed when an inconsistency in landlord's name and address exists.

**Property Location Plot (Certified Only)**

- Homeowner - use only if the name and address of the client is the same as the application form.

Renter - use only if the name and address of the client is the same on the Landlord/Tenant Agreement.

**Trailers & Mobile Homes**

A title from the Motor Vehicle Administration for the unit can be used as proof of ownership only if that title contains the name of the applicant. If the applicant's name is not on the title, a Bill of Sale can be presented as proof of ownership possessing the applicant's name and the original owner's name, the serial number for the unit, the year the unit was built, and the sale amount. In cases where more than one (1) Bill of Sale has been received, a clear ownership trail to the original owner must be identified. In addition, if a deed lists the property but not the trailer, the copy of the deed in this situation can be used as proof of ownership only if there is name consistency.

#### **SUBSECTION 5.A.14 REQUEST FOR ADDITIONAL INFORMATION**

If the applicant does not present all required documentation with the application, the *Request for Additional Application Information Form* will be used to document other information needed to complete the determination for program eligibility. The applicant will be given this form with instructions to provide the missing documentation within 30 days of that date. A copy of the *Request for Additional Application Information Form* must be retained in the applicant's file.

In this case, the applicant's file is placed in the "Pending" status until the information is returned, at which time the intake worker completes the application process. If the information is not returned by the date requested, the denial process must be implemented.

## **SECTION 6      CUSTOMER DENIAL AND HEARING PROCESS**

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Applicants will be denied weatherization assistance if they do not meet the eligibility criteria. The most common reasons for denial of assistance are:

- Total household income exceeds the income guidelines of the program;
- The applicant did not provide sufficient documentation of the household income or other information within the prescribed time;
- The dwelling unit has received comprehensive weatherization assistance previously; or
- Other reasons specific to the case (LWA/SWC must specify).
- It is not necessary to send denial letters to those households that have applied for assistance but cannot be assisted due to insufficient funding.

If the LWA/SWC determines that an applicant or a dwelling unit is ineligible, the applicant shall be notified within 10 working days of that decision. Notification shall include the following:

- Reason for denial;
- Specific regulation supporting the denial;
- Right to appeal the decision and the means to obtain a fair hearing.

The following situations will result in termination of an eligible customer's application. The LWA/SWC must follow normal denial procedures when resolving these situations:

- The applicant moves or the dwelling becomes unoccupied before the weatherization materials are installed, provided the applicant is no longer in contact with the LWA/SWC;
- The dwelling unit is destroyed or rendered uninhabitable before the weatherization materials are installed;
- The customer does not respond when contacted by the Energy Auditor;
- The customer intentionally furnished false information on the application form; or
- The customer requests cancellation before the weatherization materials are installed.

The following procedures must be completed when applications are denied:

- If documentation indicates that the applicant is ineligible, the intake worker must check "ineligible" in the space provided, and sign/date the form and forward it on to the certifier.
- If the certifier agrees with the intake worker's decision, he/she dates and signs the "not eligible" space on the application. If the certifier disagrees with the intake worker's decision, he/she consults with the intake worker to resolve the disagreement.

A denial letter must be sent to every ineligible applicant within seven (7) calendar days of the date of denial. The denial letter is completed by the LWA or SWC certifier, or his/her designee. The letter must include:

- Date
- Applicant's Name
- Applicant's Mailing Address
- Explanation of the reason for denial
- Date by which the hearing request must be received (15 days from the date of the notice)
- Name and telephone of local agency contact person
- Signature of local agency designee
- A copy of the denial letter must be placed in the applicant's file. The file is placed in a separate denial file drawer which is maintained by last name.

If the denied applicant wishes to appeal the LWA/SWC's decision, the procedures described in the Review and Hearing Process (*Section 6.A*) are to be followed.

**In the following situations, denial letters do not need to be sent:**

- Denied applications received by the local agency from OHEP. These applications are not counted as "denied" for reporting purposes.
- When it has been determined that the unit has already been weatherized since September 1994
- When an LWA/SWC is determining eligibility for a multi-family dwelling, no denial letters should be sent until the eligibility for the entire building is determined.
- If the building is eligible under the 66% rule, no denial letters shall be sent. All applications for the completed multi-family dwelling unit building should be combined in a separate file for the building and placed in the Completed Units File. If the building is determined ineligible under the 66% rule, follow the normal denial procedures (i.e., certify as denied; send denial letters). However, those units that would be denied following normal denial procedures (i.e. over income, insufficient documentation, etc.) will be certified as denied.

For those applications that cannot be completed by the end of the program year (June 30th), the LWA/SWC may decide to either carry these applications forward or return them to DHCD.

If the applicant does not provide sufficient documentation of total household income or other information necessary to complete the application within 30 days of notification of the applicant, the application must be denied. The LWA/SWC must report the application as a denial as soon

as all notification timeframes are exhausted usually 15 days beyond the normal denial date.

## **SUBSECTION 6.A REVIEW AND HEARING PROCESS**

Customers are the priority for DHCD and we strive to ensure every attempt is made to serve income-eligible households with quality weatherization services.

**SWC Applicants** - In cases where the applicant would like to dispute ineligible status, or is concerned about the quality of work they have received, The SWC must try to settle the issue courteously and expediently. If the customer cannot reach an understanding with the SWC, the customer should be referred to HBEP, and a detailed back-up summary of the issue should be forwarded by the SWC. A review of the disputed items will follow. All Network Partners are required to keep a log of complaints and resolutions.

**LWA DOE Applicants** – Pursuant to the allotment of Administrative fees, if an LWA cannot reach a resolution with a customer, applicants are guaranteed access to a fair hearing process in the following situations:

- The applicant is not satisfied at any point in the process of weatherization service delivery (e.g.; application process through quality control process);
- The applicant is denied assistance;
- The applicant is neither certified nor denied assistance within 30 days from the date all required documentation is presented; or
- The applicant's complaint is not resolved by the local agency's dispute settlement procedures.
- The hearing process is multi-leveled. The first level of appeal is a local hearing before a hearing officer designated by the local agency. The second level of appeal is conducted by DHCD after the applicant's complaint has not been resolved through the local hearing process. All hearings must conform to the following standards:
  - The location must be convenient and accessible to the applicant;
  - Adequate notice must be given to the applicant. The applicant must be given at least 15 working days from the date the Request for Review of Decision (Form VI-C) is sent by the local agency to request for such hearing;
  - Specified time frames must be met;
  - The hearing officer must be a person not involved in the original disputed decision; and
  - The applicant may bring legal counsel, a representative, or other interpreter, and may present evidence and examine witnesses. Hearings are to be rescheduled for applicants requesting postponements. Two postponements with prior notice are acceptable. If an applicant fails to appear for a scheduled hearing and does not provide notice, the hearing

officer may render a decision based on the case file or reschedule the hearing based on adequate cause.

#### **SUBSECTION 6.B PROCEDURES FOR INFORMAL DISPUTE SETTLEMENT (DOE)**

The local agency is required to maintain a log of all complaints received. The log must indicate date received; name of applicant or complainant; nature of complaint; date and description of actions taken to resolve the complaint; and the name of the person by whom the action was taken.

#### **SUBSECTION 6.C PROCEDURES FOR LOCAL HEARINGS (DOE)**

Applicants, requesting a review of a local agency decision, must request the local hearing within fifteen (15) working days of the date of notification of the decision.

Applicants requesting a hearing, due to the local agency's failure to make eligibility determination on their application, may do so any time after 10 days have elapsed from the date that all required documents have been provided to the local agency.

Upon receipt of the hearing request form, the local agency enters the request on the local agency hearing log.

The local hearing must be held within fifteen (15) calendar days of receipt of the hearing request. Notice that Local Hearing Has Been Scheduled should be used to notify the applicant at least ten (10) calendar days in advance of the scheduled hearing.

The local agency hearing officer should attempt to resolve the applicant's concerns at the local hearing through review of the applicant's case file and explanation of the appropriate program regulations.

Following the hearing, the local agency hearing officer's decision must be issued in writing to the applicant along with request for a State level hearing. (Appeals Hearing Decision Letter form)  
The decision must be sent within fifteen (15) calendar days of the hearing.

#### **SUBSECTION 6.D PROCEDURES FOR STATE HEARINGS (DOE)**

1. Applicants who wish to appeal the decision rendered at the local hearing must submit a Request for State Level Hearing form within fifteen (15) calendar days of the date of the local agency hearing decision letter.
2. Upon receipt of the request for a State Hearing, the local agency completes the hearings log and forwards copies of all case documents to the State energy programs office.



3. The State Hearing must be held within fifteen (15) calendar days of receipt of the case file from the local agency. The State energy programs office will provide written notification to both the applicant and the local agency of the scheduled time and place of the hearing, at least ten (10) days in advance of the hearing. (Notice that State Level Hearing Has Been Scheduled).

A written decision will be rendered by the State Hearing Officer within the 15 days following the scheduled hearing. Copies will be sent to the applicant and LWA.

## **SECTION 7 WEATHERIZATION SERVICE DELIVERY PRIORITIES**

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### **SUBSECTION 7.A SINGLE-FAMILY HOMES**

All weatherization activities performed on single-family dwelling units must follow the priorities as established through the auditing protocol and the funding source. This protocol is supported by the HEAT system.

The cost of weatherization for single-family dwellings is dictated by the approved average cost per unit (ACPU). The ACPU is determined through a simple calculation - dividing the number of units reported as completed to DOE into the amount of expenditures reported. It is the responsibility of each LWA/SWC to maintain a running ACPU on projects that have a work order.

### **SUBSECTION 7.B MOBILE HOMES**

Work to be performed on mobile homes must follow the MHEA (Mobile Home Energy Audit); the energy audit must be completed on-site. The total cost of weatherization for each funding source remains consistent with the cost guidelines noted for Single-family Homes. HEAT may not be used for a mobile home audit. Mobile Homes may not be weatherized with EmPOWER LIEEP funds. Utility usage forms and Permission to enter forms are required to be collected at each home at the time of audit.

### **SUBSECTION 7.C MULTI-UNIT DEVELOPMENTS**

LWA/SWCs will use the following criteria when preparing to weatherize units in Multi-unit Developments. Only multi-unit dwellings that can be energy modeled with a single-family audit procedure can be considered for weatherization. Common areas or shared systems disqualify a multi-unit development in this context and should be referred to under “Multi-family” section.. A DHCD Quality Assurance Inspector should be contacted to assess the project when it is identified. Based on the QA Inspector recommendation, the Weatherization Program Manager will give final approval for the project to commence. Weatherization materials must be applied to these units in priority order as shown by the energy modeling tool. Utility provider and usage must be verified for all units to be weatherized with EmPOWER funds.

The cost guidelines for each funding source are consistent with those noted above for the weatherization of Single-family Homes. In each case, Utility usage forms, Tenant Synopsis forms and Permission to Enter forms are required to be collected at each home at the time of audit, and every unit weatherized. Service delivery may be performed in one of the following

ways:

Single Units in a Multi-Unit Developments may be weatherized regardless of the eligibility of other units within the building.

**Duplexes and Four-Unit Buildings (50% Rule):**

Fifty percent of the units in a duplex (1 unit) or four-unit building (2 units) must be occupied by income eligible persons

**Triplexes & Five or More Individual Units (66% Rule)**

Sixty six percent of the units in a triplex or five plus units must be occupied by income eligible persons or families for the entire building to be deemed eligible to receive weatherization services. All units must be contained within one structure and must share a common foundation or families for the entire building to be deemed eligible to receive services

**Rental Property Required Documentation**

**Permission to Enter Premises Form**

To provide legal rights to enter the building, the local agency and the building owner must both sign the Permission to Enter Premises Form. This form not only provides protection for the local agency, but it also explains pertinent DOE/EmPOWER and weatherization assistance policies to the owner. In no case should local agency staff enter the building to conduct the energy audit, perform work or collect documentation before this form is signed. Following the Energy Audit, the local agency shall provide the owner with a complete listing of weatherization measures to be installed on the Building Owner Agreement form so that he/she may review the document, and provide the required signature.

The owner of the property must agree to allow local and/or state staff to enter the premises after weatherization services have been provided for the purpose of conducting a quality control inspection. This allowance for quality control inspections must be part of the Permission to Enter Premises form and the Building Owner Agreement form. A refusal to allow access for post service inspection is cause for denying services to the property and may result in the owner reimbursing the agency for all costs associated with delivery of the services.

**Building Owner Agreements Form**

Whenever a rental property is being weatherized, a Building Owner Agreement form between the local agency and the owner must be signed before work can begin. This requirement

includes buildings of two or more units where the owner is an eligible client. The Owner Agreements are not signed until the eligibility documentation is received for each eligible customer, the energy audit estimation has been performed by the local agency and the owner's investment and scope of work have been negotiated. A sample set of Building Owner Agreement forms can be found in the Forms section at the end of this manual.

The Building Owner Agreement is used to place some restrictions on the owner whose building is being weatherized. The restrictions include not raising the tenant's rent due to the weatherization services. The rent should be restricted for a period of not less than one year. The agreement also prevents eviction or involuntary removal of a tenant in a weatherized unit for the same period as long as the tenant complies with all on-going obligations and responsibilities to the owner. If the owner violates the agreement, he/she may be billed for the cost of the weatherization work and reasonable legal fees incurred by the local agency. The Agreement also contains provisions governing owner investment in the weatherization effort.

The local agency must provide the owner with the relevant copy of the Building Owner Agreement. The list of services to be provided (BOA: Agency's Scope of Work), the list of units and rents (BOA: Eligible Dwelling Units & Rent) and the owner's list of work to be performed (BOA: Owner's Scope of Work/Owner's Investment) are to be developed during negotiations, initialed by the owner and the local agency representative and attached to the Agreement. The owner and the local agency sign the agreement and the Exhibits. As always, proof of ownership and signed required documents must be present in the file of the local agency.

### **Tenant Synopsis of the Provisions**

All tenants in a rental building must be given a copy of the Tenant's Synopsis of the Provisions contained in the Building Owner Agreement. This is a plain-language explanation of the Agreement and notifies the tenants of their rights. All blanks in the Tenant's Synopsis must be filled in before distribution. A signed copy by the tenant must be uploaded to Hancock before payment for the weatherization measures will be released.

Tenants are responsible to provide utility account information for energy savings tracking before work can begin.

### **Residential Hotels**

To be eligible for weatherization, an inhabitant of a residential hotel must: (1) be responsible for paying his/her own heating costs, and (2) be using the hotel as his/her residence.

Residents of group homes and domiciliary care facilities are not eligible to apply on their own behalf. The income of all residents of the facility should be considered when evaluating this type of home. Roomers and boarders may not apply for weatherization assistance separate from the host household unless they live in a separate living quarters. An electric bill must be provided by the individual or host manager.

“Separate Living Quarters” means living quarters in which the occupants do not live and eat with any other persons in the structure and which have either (1) direct access from the outside of the building or through a common hall or (2) complete kitchen facilities for the exclusive use of the occupants. The occupants may be a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. An applicant's spouse may not claim other roomer or boarder status. The Roomers or Boarders Separate Living Quarters Form must be completed for each roomer or boarder application.

Rent paid by the roomer/boarder to the host family must be considered in the total household income when processing an application for eligibility. However, the local agency should not count the roomer/boarder as a household member for purposes of application processing.

16. Group Homes and Shelters

### **Group Homes**

For the purpose of the Weatherization Programs, the definition of a group home or shelter is as follows:

- Three or more people, not related by blood or marriage, residing in a single unit, not owned by a government agency, where eating facilities are shared.

The group must have a clearly defined identity that distinguishes it from more informal, family-type settings, for example, a residence for disabled individuals.

Residents of group homes and shelter facilities are not eligible to apply on their own behalf. An operator of a documented group home or shelter may apply for weatherization assistance on behalf of residents provided that the individuals or families residing in such group home or shelter meet the eligibility requirements. In such a case, the income of all residents of the group home or shelter must be considered.

If a part of a building is being or will be used as a group home or shelter, then only that part of the dwelling housing the group home or shelter residents can be weatherized. If an entire

building is being used as a group home or shelter, then one of two ways should be used to determine the number of units and the dollar amount to be expended on the building if individual units cannot be easily identified.

Each 800 square feet of living space shall be counted as 1 unit (i.e., if there are 4000 square feet in an entire building, the shelter would be considered a 5 unit), OR

Each level or floor of the building being used as a shelter shall be counted as one (i.e., if there are two floors of living space, the number of units is two).

Other regulations and procedures for Group Homes are:

- The local agency should request from the operator documentation that proves the dwelling unit is a group home or shelter. Documentation may include a notarized letter denoting group home or shelter authorization.
- The local agency must take applications from each family unit residing in the group home or shelter and secure income documentation from each family unit. When taking applications for a group home or shelter, proof of ownership need only be secured for the operator. Evidence of ownership must be maintained in each file.
- A group home or shelter cannot be weatherized until it is occupied.
- A group home must provide utility information.

### **HUD Units**

On January 25, 2010, the Department of Energy (DOE) implemented a new rule, 71-CFR-3847, for the DOE WAP program. Under the new rule, if a public housing, assisted multifamily or Low-income Housing Tax Credit (LIHTC) building is identified by the U.S. Department of Housing and Urban Development (HUD) and included on a list published by DOE, that building meets certain income eligibility and may meet other WAP requirements without the need for further evaluation or verification. DOE has posted three lists of properties supplied by HUD and USDA. Properties identified on these lists have been determined to meet certain eligibility criteria under WP. The lists will reduce the review and verification necessary to weatherize the identified buildings through DOE WAP.

### **Re-Weatherization**

Homes receiving assistance through the DOE WAP program prior to September 30, 1994 may be re-weatherized (re-visited) with DOE WAP. Re-visits are limited to installation of measures not already installed during the initial weatherization effort. The local agency must follow all current guidelines regarding the audit protocol and HEAT modeling. Only services that pass the

savings to investment tests may be installed. Limits of expenditures are the same as those of new weatherization projects. In no case may the amount spent for re weatherization exceed the local agency average assistance limit.

Homes receiving assistance through the EmPOWER LIEEP program may not have been weatherized in the previous five years.

Once the approved applicant has been selected from the list and the audit has been scheduled, the SWC/LWA must verify that the dwelling unit has not been previously weatherized by searching the Hancock database. . (DHCD's weatherization records for customers assisted prior to 2009 are available in the Hancock system, by accessing the "Imported Clients" list under the "General Information" section of the Hancock system.) At the time of audit, a second verification must be made by visually assessing the home for installed weatherization measures. If weatherization measures have been installed DHCD should be notified. This step is a double check step since the home should already have been verified for previously weatherized services.

If the home is found to have been previously weatherized, the dwelling is not eligible for weatherization services based on these guidelines:

- DOE – dwelling unit must be weatherized prior to September 30, 1994 to qualify for additional weatherization.
- EmPOWER – dwelling unit cannot have received weatherization services in the past five years.

It is important to note that DHCD has been unsuccessful in obtaining from the EmPOWER utilities a record of all customers weatherized by EmPOWER utility programs from 2009-2012.

## SECTION 8 WEATHERIZATION SERVICE DELIVERY STANDARDS

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LWAs and SWCs are responsible for completing all weatherization work in compliance with the standards and specifications of BPI, DOE and the *DHCD Field Guide and Program Operations Manual*. NREL's Standard Work Specifications Tool (<https://sws.nrel.gov/>) has been integrated into the *DHCD Maryland Field Guide*, to ensure that DHCD's technical standards for weatherization comply with national weatherization standards. An electronic PDF Maryland Field Guide can be found here:

[http://www.dhcd.maryland.gov/Website/Programs/WAP/documents/Field\\_Guide.pdf](http://www.dhcd.maryland.gov/Website/Programs/WAP/documents/Field_Guide.pdf) . Printed copies of the DHCD Field Guide can be obtained by contacting HBEP. All LWAs and SWCs should have copies of the Field Guides in their weatherization vehicles. All three should be referenced for guidelines, application and standards. These standards apply to both direct hire crews and private contractors. Quality Control and Quality Assurance inspections will be conducted with these tools as a guide.

The State energy programs unit recognizes that it is impossible to address all situations that may arise in the field when a dwelling is being estimated, audited or when work is being performed. As always, professional results depend on good judgment being used at the work site. LWAs and SWCs are encouraged to contact DHCD's Quality Assurance Inspection staff with any questions or for clarifications regarding work quality or policy. It is important to note that required customer documentation (including utility bill copies or signed utility release forms should be collected prior to the commencement of the energy audit.)

### **Energy Audit Protocol**

An energy audit must be performed on each dwelling unit receiving weatherization services. LWAs and SWCs are required to use BPI Certified Analysts or Envelope professionals to perform the audit. Auditors are required to use the Hancock field application to record all data for input HEAT, in order to comprehensively record findings and effectively compile an effective list of measures.

In most cases, the LWA/SWC will not have sufficient funds to install all materials and perform all repairs necessary to address the energy conservation needs of the dwelling unit identified through the audit. The HEAT modeling tool will help determine those measures that are most cost effective.

The following are the basic procedures to be adhered to when conducting an Energy Audit, but are by no means comprehensive. BPI auditing protocols and the DHCD Maryland Field Guide



should be referenced for a complete list of assessments. The energy audit determines the pre-weatherization conditions of the home and identifies what weatherization measures are appropriate. Work orders must be prepared for the weatherization crews/contractors and the furnace contractor as necessary. The Auditor must upload all measures into HEAT to determine Work Order priorities. Audits should follow the BPI Auditing Standard (<http://www.bpi.org/>). An abbreviated list of those standards is outlined below.

### **General Energy Audit Requirements**

- Includes customer education to the homeowner/customer, which considers energy costs, fuel process, and ways to conserve energy.
- Be based on current building-science principles and include the use of appropriate equipment in diagnosing opportunities for improving energy efficiency, and minimizing health and safety hazards.
- Include a base load energy use analysis and provide advice to clients on reduction strategies.
- Utilizes HEAT to produce a cost effective a work scope that recognizes best-practice installation procedures and a comprehensive set of specific energy efficiency and health/safety measures warranted by the site-specific circumstances.
- Provide comments related to existing conditions and proposed work scope in the Detailed Measures comment boxes.

There may be cases where a home has significant issues, including but not limited to structural damage, extensive mold, or animal infestations, that make the home ineligible for weatherization. In cases such as these where there is a situation that may warrant a deferral prior to completion of the energy audit, the energy auditor must record the issues in detail on the Deferral Form to document the deferral issues (in writing and with photographs) and contact a DHCD QAI to assist in making the determination regarding whether or not to perform the energy audit.

The energy auditor shall communicate health and safety concerns related to energy systems and proposed retrofit work and shall include recommendations to maintain or improve existing levels of health and safety and mitigate identified hazards.

### **The energy audit shall:**

- Not endanger the occupants or the auditor.

- Include an interview of the occupant(s) about their awareness of energy-related home
- Hazards and other factors, including pets, occupants, etc.
- Include a test of all combustion appliances in accordance with BPI standards.
- Evaluate ventilation requirements.
- Identify signs of moisture problems.

**The energy auditor shall:**

- Identify existing hazards and hazards that may develop when the measures are installed and specify preventative measures.
- Inform customers about identified and potential fire, structural, health, and safety hazards related to energy systems and retrofit work.
- Specify in the recommendations that workers do not disturb known or suspected lead, asbestos, or mold, unless the workers are qualified and use appropriate containment, cleaning, and/or abatement procedures.
- Specify in the work scope that identified electrical hazards, which may hinder planned ECMs, are mitigated.  
Specify appropriate safe work practices in the work scope.

The audit shall include a comprehensive package of ECMs, modeled using DHCD's approved software (HEAT).

The audit shall include an analysis of energy consumption records to justify estimates of energy savings from the installed ECMs.

The energy audit shall include a work scope detailing proposed ECMs. This work scope shall be based on an evaluation of the whole house according to the requirements of this standard. The objective of the work scope is to optimize home performance cost effectively, while maintaining or improving health and safety.

**The energy audit shall include the following requirements:**

- Prioritization of health and safety improvements according to their urgency and importance.
- Prioritization of ECMs according to cost effectiveness, and feasibility.
- Pre-work and post-work documented verification, such as diagnostic testing and all measures identified as part of the audit.
- Provision of customer educational materials, such as the DOE Energy Saver brochure, to the occupant.

## **Combustion Appliance Testing**

The energy audit shall include inspection of combustion systems for common safety problems. The energy audit shall specify remediation of conditions as required and shall specify that post-retrofit combustion appliance testing be conducted.

Identify and communicate emergency problems — such as a gas leak or a dangerous level of carbon monoxide — clearly and immediately to the customer, landlord, utility representative, and/or the auditor's supervisor and suggest appropriate solutions. Clarify whether or not work can proceed, or whether the issue must be resolved prior to weatherization work taking place.

Test for gas leakage at connections of natural gas and propane piping systems. The report shall specify repair for leaks and replacement for hazardous or damaged gas connectors.

Inspect for oil leakage in oil-fired heating and water-heating systems.

Inspect combustion venting systems for damage, leaks, disconnections, and other safety hazards.

Include combustion-appliance-zone (CAZ) pressure tests, carbon monoxide (CO) tests, and spillage tests on all combustion appliances venting into atmospheric chimneys, including fan-assisted gas appliances, as follows.

Monitor for ambient CO during combustion testing, and discontinue testing if ambient CO level exceeds 35 parts per million (ppm).

Measure baseline pressure in the CAZ with reference to with respect to (WRT) outdoors.

Activate exhaust fans, clothes dryer, and air handler to maximize negative pressure in the CAZ, with the exception of whole-house fans designed for night cooling.

Open or close interior doors as needed to maximize negative pressure in the CAZ.

Measure the change in CAZ pressure WRT outdoors that is induced by exhaust fans, clothes dryer, air handler and door position, as compared to the baseline pressure obtained WRT outdoors.

If the change in pressure is more than 5 pascals in the negative direction, the audit report shall specify measures to mitigate that induced negative pressure in the CAZ.

Operate open-combustion appliances, beginning with the smallest input, and test for spillage at the draft diverter, barometric draft control, or burner inlet (fan-assisted appliances). If a combustion appliance spills for longer than one minute, the audit report shall specify measures to

mitigate spillage.

Test for CO in undiluted flue gases of combustion appliances. If CO in undiluted flue gases is more than 100 ppm as measured or 200 ppm air-free measurement, the audit report shall specify service to reduce CO to below these levels (unless CO measurement is within manufacturers' specifications).

Include a CO test on all sealed-combustion and power-vented appliances (without atmospheric chimneys).

When cost effective and feasible, the audit report shall recommend replacing open combustion equipment with high-efficiency, sealed-combustion equipment or power-vented equipment (or non-combustion equipment, such as a heat pump).

The auditor shall specify CO testing for newly installed sealed-combustion and power-vented appliances.

#### Test gas ovens for CO.

If ovens produce more than 200 ppm of CO (or 400 ppm air-free measurement) in undiluted flue gases tested in the oven vent, the audit report shall specify service or replacement.

The auditor shall specify that every kitchen be ventilated as required.

Specify smoke alarms for homes, per local code as a minimum, that do not already have them installed.

Specify CO monitors/alarms in homes with combustion appliances or attached garages, one per floor level.

Specify final combustion testing at project completion, to ensure compliance with the above standards.

### **Indoor Air Quality and Ventilation**

The energy audit shall strive to maintain or improve indoor air quality. The energy audit report shall specify improvements to reduce pollution sources and to provide adequate ventilation.

Auditors must have a comprehensive understanding of ASHRAE (American Society of Heating, Refrigeration & Air Conditioning Engineers) 62.2. Basic requirements for ASHRAE 62.2 are outlined below. Refer to ASHRAE 62.2 – 2013 (<http://www.ashrae.org/>) for a complete listing of ventilation requirements.

Identify sources of indoor air pollution for customers, and recommend the removal of the pollutant or the implementation of the proper control.

Document the flow rate of all exhaust fans and document whether the exhaust fans and clothes dryers vent to outdoors.

With an attached garage, document that an effective air barrier exists or include sealing of air leaks between the garage and house. Also, the energy audit report shall include sealing of air handlers and ducts that are located in the garage.

Document mechanical ventilation requirements (MVR) using the approach based on the ASHRAE 62.2 - 2013.

Specify whole-house mechanical ventilation if required based on ASHRAE Standard 62.2 – 2013, Section 4, as follows:

- Nominal fan size to continuously provide airflow in cubic feet per minute (CFM) is based on the number of bedrooms and the conditioned floor area of the home. The fan's CFM shall have been determined by using either the formula or Table 4.1.
- The formula for CFM fan flow is:
  - $CFM = (0.01 \times \text{conditioned floor area}) + (7.5 \times (\text{number of bedrooms} + 1))$

\*Refer to ASHRAE Standard 62.2-2013, Table 4.1 to determine ventilation requirements by house square footage.

Specify local (spot) ventilation for kitchens and bathrooms according to ASHRAE Standard 62.2 – 2013. Test and verify existing CFM rate. Use one of the two following options for complying with the kitchen and bathroom ventilation requirements. Both bathroom and kitchen requirements may be satisfied by dedicated exhaust fans and/or a central ventilation system.

Specify that each bathroom receives a minimum of 50 CFM of intermittent exhaust (with appropriate controls), or 20 CFM of continuous exhaust.

Also specify that each kitchen receives a minimum of 100 CFM of intermittent exhaust or 5 air changes per hour (ACH) of continuous exhaust based on kitchen volume.

\*\*An infiltration credit may be applied to reduce whole-house mechanical ventilation

requirement. The credit may be determined using ASHRAE Standard 62.2-2013, Section 4.1.3, if the building enclosure has been tested with a blower door. When the infiltration credit is larger than the nominal fan size specified in 8.1.5, a whole house mechanical ventilation system is not required. If whole house mechanical ventilation is required, and is not cost effective, the house must be deferred.

### **Moisture Control**

Excessive moisture contributes to mold, indoor air pollution, and building durability problems. The energy audit shall include an inspection of each home for moisture problems and specifications for prevention and remediation, as applicable to the proposed ECMs for the following:

- Evidence of exterior water intrusion, such as roof leaks, foundation leaks, and ground-water intrusion.
- Evidence of all interior water sources, such as plumbing leaks. Effects of water damage on buildings, such as mold, mildew, insect damage, efflorescence, and stains, including evidence of damage due to expansive soils.
- Existing vapor retarders, flashing, gutters, or other moisture-control strategies.
- Measures specified in the work scope to prevent potential moisture problems or mitigate identified moisture problems, as applicable.
- Evidence of exterior water intrusion, such as roof leaks, foundation leaks, and ground-water intrusion.
- Evidence of all interior water sources, such as plumbing leaks.
- Effects of water damage on buildings, such as mold, mildew, insect damage, efflorescence, and stains, including evidence of damage due to expansive soils.
- Existing vapor retarders, flashing, gutters, or other moisture-control strategies.

### **Building Enclosure Performance**

The energy audit shall include an evaluation of the performance of the building enclosure, and include recommendations for upgrades as appropriate.

The air-leakage rate of the building enclosure as determined by a blower door test.

When enclosure air sealing is specified, document the blower-door test when work is completed and verified by a Quality Control Inspector.

### **Heating, Ventilation and Air Conditioning (HVAC) Efficiency**

The energy audit shall include an evaluation of the performance of the building mechanical systems, and the report shall recommend upgrades as appropriate.

The audit must include a complete assessment of:

- furnace performance and efficiency
- air-conditioning and heat-pump performance and efficiency.
- duct location and R-value; evaluate feasibility and energy savings of retrofit duct insulation, as applicable.
- boiler performance and efficiency, as applicable.
- steam-heating distribution performance, as applicable.
- hot water space-heating distribution performance, as applicable.
- hot water heater and hot water distribution performance, as applicable.
- feasibility and energy savings of HVAC equipment replacement.

For equipment that is not specified for replacement, specify cleaning, tuning, adjustment, control upgrades and repair in the work scope.

### **Baseload Energy Efficiency**

The energy audit shall include an evaluation of baseload energy uses and recommends upgrades of replacements or alternatives to appliances as appropriate.

*\*Note: Any variances on the audit document to ensure adequate documentation of non-compliance. Such noncompliance will be reviewed on a case-by-case basis by the State energy programs office, which reserves the right to withhold payment for non-priority services performed without prior approval and clear documentation of circumstances.*

### **Health and Safety Plan**

Health and safety issues are a critical component to be included in the auditing protocol used by DHCD's weatherization programs. DHCD regularly assesses new health and safety regulations and training to ensure that weatherization activities do not cause or exacerbate health and safety problems for workers and/or occupants. Allowable energy efficiency-related health and safety actions are those actions necessary to maintaining the physical well-being of both the occupants and/or weatherization workers where:

- Costs are reasonable AND
- The actions must be taken to effectively perform weatherization work; OR
- The actions are necessary as a result of weatherization work.

Health and safety measures are allowed to be conducted only where energy efficiency measures are identified for installation. We need to ask:

- What must we do within reasonable costs to get the home to a point we can go forward with weatherizing, where the weatherization work will be lasting and effective?

- What must we do to ensure that the weatherization work we conduct does not create a health or safety problem for the occupant?

Not all observed health and safety conditions need to be corrected in order to proceed with weatherization; however, the client will still be notified of any observed conditions and if the condition is not corrected, it should be clearly explained in the client's electronic file in Hancock how the condition is not related to the planned weatherization work.

DHCD's Health and Safety Plan includes documentation requirements should Health and Safety resolution make it cost-prohibitive and cause a deferral. A completed Deferral Form with the reasons that the unit cannot be weatherized **MUST BE** completed by the Energy Auditor and **SIGNED** by **BOTH** the Client and the Auditor to make certain the Client is informed of their rights and options. Every deferral form must be uploaded in Hancock and an Inspector notified. All measures identified in the H&S Plan are allowable H&S costs in accordance with WPN 11-6. However, a measure is charged as an ECM where it meets an SIR of 1.1. DHCD will monitor the use of H&S educational literature during Quality Assurance Inspections and Subgrantee programmatic monitoring.

### **Air Conditioning and Heating Systems**

Red tagged, inoperable or nonexistent heating systems replacement, repair or installation is allowed when it meets an SIR of 1.1. If an SIR of 1.1 is not attainable then other funds may be leveraged. Many furnaces may not be included in the overall measures. Furnaces and/or air conditioning system replacement, repair or installation will be considered in homes occupied by at risk occupants when climate conditions are warranted and when other funds are leveraged. According to recent NOAA data, Cooling Degree Days (CDD) for Baltimore Washington International (BWI) Airport ranged from 1084 CDD in 2014 to 1742 CDD in 2010.

The local agency will provide client education to discuss and provide written information on the appropriate use and maintenance of the units and proper disposal of bulk fuel tanks when not removed.

### **Asbestos**

General asbestos removal is not an approved health and safety weatherization cost. Every crew member will have taken the required "*Asbestos Awareness*" class so that workers are protected by inadvertent exposure to this hazard. Major asbestos problems should be referred to the appropriate state agency and/or the Environmental Protection Agency (EPA). Vermiculite must be assumed to contain asbestos and not disturbed other than testing performed by an AHERA



certified tester. Partial weatherization is not an option when asbestos containing vermiculite is present. Asbestos on pipes may be removed by an AHERA certified professional but this may be cost prohibitive. In cases where it is not cost effective to abate the asbestos a home should be deferred. Documentation will include cost estimates to remove the asbestos and photographic evidence.

Client will be informed that suspected asbestos is present and instructed to not disturb material containing asbestos. If suspected asbestos is present, the client will be provided U.S. EPA's *Learn About Asbestos* and *Asbestos: Protect Your Family*. The documents can be found at <http://www2.epa.gov/asbestos>.

### **Appliances**

Neither EmPower, LIEEP nor DOE WAP funds can be used to replace a cook stove. If a cook stove is deemed a health and safety hazard (i.e. fire hazard or excess carbon monoxide) the cook stove may be cleaned and tuned with DOE WAP funds only. If the clean and tune does not resolve the issue, the house must be deferred as a "CO Spillage" case. The CO analyzer used by Maryland's LWAs and SWCs has the capability of identifying CO presence. Acceptable operating standards can be found in the BPI Technical Standards. Replacement of water heaters is allowed on a case-by-case basis with approval from DHCD. Repair and cleaning are allowed. Determine whether the appliances/water heaters are operating safely. Issues related to leaking units, combustion safety, electrical concerns, and other conditions leading to water heater failure should be assessed and documented. If it is not cost effective to replace the unit within the H&S budget, and the hazard cannot be resolved, the home should be deferred until an additional community funding source can resolve the unit failure. Documentation for denial should include test results and/or photos supporting the visual inspection.

Client will be immediately informed of the condition and be informed of the safety hazard. If applicable, carbon monoxide literature will be provided. The agency will provide either the US EPA document [Protect Your Family and Yourself from Carbon Monoxide Poisoning](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf) ([www.epa.gov/iaq/pdfs/co\\_factsheet\\_en.pdf](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf)), "[What is Carbon Monoxide?](http://www.cdc.gov/co/pdfs/faqs.pdf)" from the Center for Disease Control ([www.cdc.gov/co/pdfs/faqs.pdf](http://www.cdc.gov/co/pdfs/faqs.pdf)), or both.

### **Biological and Unsanitary Conditions**

Small occurrences (less than 10 total square feet) may be addressed using DOE funds under MD WAP during the normal course of weatherization activities. Work must be approved prior to starting. Approval will be granted on a case by case basis. Removal of mold, odors, viruses, bacteria, unsanitary (including raw sewage) conditions, and rotting wood is not a Weatherization

responsibility; however, program workers frequently encounter these conditions. DHCD's required *Asbestos Awareness*, *Mold Identification*, and *Weatherization Tactics* courses allow workers to identify these problems and effect safe work practices. The decision on next steps to remediate these issues begins with the BPI certified auditor, and the determination if a Remediation Specialist, or other Hazardous materials removal specialist specific to the issue, should be involved. Other considerations include identifying the cause of the issue (moisture, etc.). Health and Safety funds may be used if the source of these conditions is identified and can be resolved to allow effective weatherization work and/or to assure the immediate or future health of workers and clients. Caution should be taken when selecting air tightness limits for dwellings with these problems. Since these conditions are often related to moisture, the Auditor should assess moisture conditions as a part of the initial audit procedure and treat them as part of the weatherization work. If necessary, weatherization services may need to be delayed until the problem can be referred to another agency that can take remedial action. In cases where a known biological agent is present and may create a serious risk to occupants or weatherization crews/contractors, the home should be deferred and the homeowner immediately alerted to the risk. Documentation will include written notes by the auditor as well as photographic evidence supporting the visual inspection.

Client will be immediately alerted to the risk.

### **Drainage**

Sump-pumps will be repaired or replaced as necessary to prevent water and moisture from damaging the dwelling. Costs within the H&S allowance are permitted under MD WAP using DOE funds. Properly operating sump-pumps will reduce the health risks from the build-up of mold and mildew within the structure. Major drainage issues are beyond the scope of the WAP. Homes with conditions that may create a serious health concern that require more than IRM (DOE) shall be deferred. Visual inspection and observation by the BPI Certified Auditor shall be the primary mechanism for detecting drainage issues. Plumbing or Waterproofing specialists may be consulted to determine scope of remediation. If necessary, weatherization services may need to be delayed until the problem can be referred to another agency that can take remedial action. Documentation for deferral should include notes of the visual inspections, diagrams of the visual inspection, photographic evidence to support the visual inspection, and costs estimates to alleviate major drainage issues.

Client will be informed of the presence and location of mold. The client will be provided the US EPA's "[A Brief Guide to Mold and Moisture and Your Home](http://www.epa.gov/mold/pdfs/moldguide.pdf)".  
([www.epa.gov/mold/pdfs/moldguide.pdf](http://www.epa.gov/mold/pdfs/moldguide.pdf))

### **Formaldehyde and Volatile Organic Compounds (VOCs)**

The cost for removal is not an allowable cost under MD WAP. The required courses *Weatherization Tactics* and *OSHA 10* instruct all workers on the nature and identification of VOC's. Removal of pollutants should be done by the client or a contracted professional, prior to weatherization work being performed. If pollutants pose a risk to workers and removal cannot be performed by a professional or the client refuses to remove the pollutants, the unit should be deferred. Visual and sensory inspection is the primary mechanism for determining the hazards of VOCs and other air pollutants. Documentation for deferral will include notes of the inspections and photographic evidence to support the inspections.

Client will be made aware of condition. Client will be provided the US EPA “[Care for Your Air: A Guide to Indoor Air Quality](http://www.epa.gov/iaq/pdfs/careforyourair.pdf)”. ([www.epa.gov/iaq/pdfs/careforyourair.pdf](http://www.epa.gov/iaq/pdfs/careforyourair.pdf))

### **Injury Prevention of Occupants and Weatherization Workers**

The DHCD reminds LWA representatives that Weatherization staff will attend the *OSHA 10* or *OSHA 30 General Construction Worker* course. As part of the safety for crew and auditors, the course will identify health and safety hazards according to the *OSHA Focus Four Method* which includes electrical, fall protection, caught in and between, and struck-by hazards. If these hazards cannot be remedied prior to the installation of ECMs, the unit should be deferred. Visual inspection is the primary mechanism for OSHA. Documentation for deferral will include notes of the visual inspections and photographic evidence to support the visual inspection of the OSHA hazards. Client will be made aware of the safety hazards.

### **Occupant Preexisting or Potential Health Conditions**

Agencies should be aware that some individuals' health problems could be exacerbated by weatherization activities. During the initial visit to the home, Energy Auditors are required to discuss with the homeowner the work that will be done during the audit and during installation, including detail regarding materials and installation procedures. The auditor will allow the occupant to identify any preexisting health conditions or concerns that could be exacerbated by the audit or work and note it on the audit. The Energy Auditor will plan to address any preexisting health conditions or concerns through isolation or work tasks, temporary occupant relocation, or deferral in extreme cases. Occupant revealed health concerns or conditions will be noted on the audit form as necessary to direct installation staff to isolate work or use alternate methods. Weatherization processes and potential impacts should be explained to the owner with consideration of any health issues. If the occupant determines that the weatherization work will cause undue stress on an existing condition, the house will be deferred. Documentation includes

the homeowners concerns and signature on the Deferral form.

Client will be provided information on any known risks.

### **Pests**

Pest removal is allowed to be funded using DOE Health & Safety (H&S) funds, under MD WAP, only where infestation would prevent weatherization, poses a health and safety concern for workers, and can be managed within H&S funding parameters. Screening of windows and points of access is allowed to prevent intrusion. Infestation of pests may be cause for deferral where it cannot be reasonably removed. Documentation for deferral will include notes of the visual and sensory inspections, as well as photographic evidence to support the inspection. The client file will also include cost estimates for the removal of the pests from a Pest Removal specialist.

Inform client of observed conditions and associated risks.

### **Fire Hazards**

Correcting fire hazards is an allowable expense under MD WAP, using DOE funds, when correcting the hazard will allow weatherization and the cost is within the H&S allowance. Approval is required before starting work. Clients, occupants, and building owners/landlords will be notified in writing of potential fire hazards identified during the initial inspection performed by the Auditor, and advised to bring in a specialist on the identified hazard immediately (electrician for example.). Visual inspection is the primary mechanism for determining the fire hazard. If the fire hazard is within the range of the BPI Technical Standards, the Auditor can ask the homeowner to resolve the issue (gas cans by furnace, etc.). For any other instance, the house must be deferred until the hazard has been resolved. Documentation for deferral will include notes of the visual inspections, diagrams of the visual inspection, photographic evidence to support the visual inspection of the fire hazards.

Inform client of identified fire hazards. Provide the client with the U.S. Fire Administration's [Home Fire Safety Checklis](http://www.usfa.fema.gov/downloads/fief/handouts/fief_home_fire_safety_checklist.pdf). This document can be found at [http://www.usfa.fema.gov/downloads/fief/handouts/fief\\_home\\_fire\\_safety\\_checklist.pdf](http://www.usfa.fema.gov/downloads/fief/handouts/fief_home_fire_safety_checklist.pdf).

### **Radon**

Where there is a previously identified radon problem, work that would exacerbate this problem will not be allowed. Radon abatement is not an allowable activity under DHCD's weatherization programs. Major radon problems should be referred to the appropriate local environmental

organization or agency for mitigation or abatement.

Client will be informed of the hazards of radon and a client with a previously identified radon problem will be provided the US EPA's [Consumers Guide to Radon](http://www.epa.gov/radon/pdfs/citizensguide.pdf).  
([www.epa.gov/radon/pdfs/citizensguide.pdf](http://www.epa.gov/radon/pdfs/citizensguide.pdf))

### **Refrigerant**

The replacement of refrigerators, air conditioners and any other appliances containing refrigerant requires agencies to follow the Clean Air Act 1990, section 608, as amended by 40 CFR82, 5/14/93. Client will be informed to not disturb the refrigerant.

### **Smoke, Carbon Monoxide Detectors and Fire Extinguishers**

Installation of smoke/CO detectors is allowed where detectors are not present or are inoperable. There will be one smoke/CO detector per floor. Replacement of operable smoke/CO detectors is not an allowable cost. Providing fire extinguishers is allowed only when solid fuels are present.

The local agency will provide client with verbal and written educational information on the use and location of the smoke/CO detectors.

### **Spray Polyurethane Foam (SPF)**

Use EPA recommendations when working within the conditioned space or when SPF fumes become evident within the conditioned space. This information is available online at:  
[http://www.epa.gov/dfe/pubs/projects/spf/spray\\_polyurethane\\_foam.html](http://www.epa.gov/dfe/pubs/projects/spf/spray_polyurethane_foam.html)

The EPA has expressed the following on SPF application:

- Spray polyurethane foam (SPF) is a widely used and highly-effective insulator and sealant; however, eye, skin, and inhalation exposures to its key ingredient, isocyanates, and other chemicals in SPF products of concern in vapors, aerosols, and dusts during SPF installation can cause:
  - Asthma, a potentially life-threatening disease
  - Lung damage, Respiratory problems and other breathing difficulties
  - Skin and eye irritation
  - Other potential adverse health effects

During SPF installation, residents and other unprotected building occupants should vacate the premises until after the foam is applied, cured, trimmed, and the area has been thoroughly cleaned to eliminate any residual isocyanates and ventilated. Some manufacturers recommend 23 to 72 hours before re-occupancy for two-component applications and 6 to 12 hours for one

component foam applications, but re-entry time is dependent on product formulation and other factors. When working outside the building envelope, isolate the area where foam will be applied, take precautions so that fumes will not transfer to inside conditioned space, and exhaust fumes outside the home.

Client will be informed of the intent to use foam and asked if anyone in the household is known to be sensitive to chemicals. The client will also be informed of the need to vacate the premises for a specified number of hours based on specific manufacturer recommendations.

### **Solid Fuel Heating (Wood Stoves and Chimney/Flue Inspection, etc.)**

Wood stoves will be allowed as a weatherization protocol for replacement in the event an energy audit supports its replacement and DHCD staff approves the measure. Wood stove installation must be conducted by qualified personnel. Wood stoves that are installed must be certified and labeled by fire and building code officials and the electrical parts must be certified by the Underwriter Laboratory. Wood stoves must meet EPA emission standards or local standards if they are stricter. Local agencies must obtain appropriate liability insurance. Wood stove installation must be coordinated with the State and County fire marshal to ensure that restrictions and codes are met and that permits are obtained.

Local agencies must provide appropriate client education outlining safe operation and maintenance of the stove.

### **Electrical Knob and Tube Wiring and Other Wiring**

Replacement of a Knob and Tube electrical systems must be within the range of allowable DOE Health and Safety funds, installed by a MD licensed electrician and inspected for code compliance by the applicable local agency. Insulating over or around Knob and Tube Wiring (KTW) will be conducted in accordance to State and National Electric Code (NEC). Insulation will not be permitted over or around KTW unless adequate space is provided to disperse heat generated by the KTW. Minor upgrades and repairs necessary for weatherization measures and where the health or safety of the occupant is at risk is allowed. Sufficient over-current protection must be provided prior to insulating over knob-and-tube wiring. Inspect for the presence and condition of KTW. Check for alterations that may create an electrical hazard. Other than KTW, minor electrical repairs are allowed where health or safety of the occupant is at risk. Upgrades and repairs are allowed when necessary to perform specific weatherization measures. Voltage drop and voltage detection testing are allowed. Documentation for deferral should include notes of the visual inspections, diagrams of the visual inspection, photographic evidence to support the visual inspection, and costs estimates to replace the wiring.

Provide client information on over-current protection, overloading circuits and basic electrical safety and risks.

## **Space Heaters**

Vented space heaters will be treated as if they are furnaces.

Unvented fossil fuel space heaters must be removed, except as secondary heat where the unit conforms to ANSI Z21.11.2. Auditors should visually inspect all unvented space heaters as well as complete a CO test. In cases where health and safety funding cannot alleviate the problem the home should be deferred. Documentation for deferral will include documentation of the visual inspection (i.e. broken grates, rubber hose) and photographic evidence to support the visual inspection.

Client will be informed of safety hazards of unvented fossil fuel heaters. The agency will provide either the U.S. EPA document [Protect Your Family and Yourself from Carbon Monoxide Poisoning](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf) ([www.epa.gov/iaq/pdfs/co\\_factsheet\\_en.pdf](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf)), the Center for Disease Control's [What is Carbon Monoxide?](http://www.cdc.gov/co/pdfs/faqs.pdf) ([www.cdc.gov/co/pdfs/faqs.pdf](http://www.cdc.gov/co/pdfs/faqs.pdf)), or both.

## **Carbon Monoxide Spillage**

Carbon Monoxide (CO) is produced anytime fossil fuels are burned to produce heat and the burn is incomplete. There are many circumstances that can cause this situation to occur and the danger of CO spilling into the ambient air of the household is always present. The furnace analyzer used by Maryland's LWAs and SWCs has the capability of identifying CO presence. Acceptable operating standards can be found in the BPI Technical Standards. When dangerous CO levels are present, the LWA or SWC is required to contract a licensed service contractor to visit the home and eliminate the health and safety hazard.

Client will be informed of safety hazards of CO. The agency will provide either the U.S. EPA document [Protect Your Family and Yourself from Carbon Monoxide Poisoning](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf) ([www.epa.gov/iaq/pdfs/co\\_factsheet\\_en.pdf](http://www.epa.gov/iaq/pdfs/co_factsheet_en.pdf)), [What is Carbon Monoxide?](http://www.cdc.gov/co/pdfs/faqs.pdf) provided by the Center for Disease Control ([www.cdc.gov/co/pdfs/faqs.pdf](http://www.cdc.gov/co/pdfs/faqs.pdf)), or both.

## **Building Structure and Roofing**

If the building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost effectively, the home will be deferred. Building rehab is beyond the scope of DHCD's DOE weatherization programs. Homes with conditions that require more than IRMs (DOE WAP) should be

deferred. Provide a visual inspection. Documentation for deferral will include notes of the visual inspections, diagrams of the visual inspection, photographic evidence to support the visual inspection, and costs estimates to replace the wiring. Client will be informed of the type and location of the hazard and associated risks.

### **Window and Door Replacement**

Replacement, repair, or installation of windows or doors is not an allowable health and safety cost but may be allowed as an efficiency measure if cost justified and meets SIR guidelines. Client will be informed of proper operation.

### **Lead Based Paint Hazards**

Homes built prior to 1978, and particularly, built before 1950 are very likely to contain lead based paint. The ill effects of lead based paint and lead dust on children under the age of six and pregnant women are well documented. Exposure to lead based paint can lead to learning and developmental disabilities. DHCD follows these procedures when considering weatherizing a home built before 1978.

DHCD will require that lead safe work practices are followed by the weatherization crews. DHCD requires energy auditors, crew supervisors and all workers be trained and certified through the Maryland Department of Environment's approved curriculum for lead paint inspectors, supervisors and workers. The training will be in compliance with Environmental Protection Agency (EPA) standards for Lead Renovators; each contractor is required to have and maintain RRP certification. DHCD will work with the local agencies to coordinate and provide the training. Document any lead safe work practices by taking photographs of the work while in process.

Weatherization in homes built prior to 1978, where the work disturbs more than two square feet of interior painted space per room or 20 square feet of exterior space, will require that all materials containing lead paint be disposed of properly. This process is not allowed to be handled by weatherization crews.

DHCD developed a "deferral" policy from dwellings where funds or crew training are insufficient to weatherize a home in a lead safe work manner. The policy includes procedures for the lead trained and certified energy auditor to determine the need to "defer a house" based on its condition and the nature of the weatherization services needed. Homes deferred service will be referred to the appropriate agency for rehabilitation. Weatherization services may be considered for the homes once lead hazard reduction or abatement occurs.



Client will be informed of the hazards of lead paint. Each affected family will be provided with the EPA booklet [\*The Lead-Safe Certified Guide to Renovate Right\*](#) prior to the start of work. Have the client sign and date the confirmation of receipt of the lead pamphlet and keep it in the file. The “Renovate Right” document can be found at [www2.epa.gov/sites/production/files/documents/renovaterightbrochure.pdf](http://www2.epa.gov/sites/production/files/documents/renovaterightbrochure.pdf).

### **Energy Related Mold and Moisture**

DHCD developed a policy to defer weatherization service when the presence has been confirmed of an identified existence of mold and moisture problems. Weatherization workers at all levels are required to take a mold awareness class. Suspected mold of individual areas less than or equal to 10 square feet are considered minor and weatherization can continue as long as adequate ventilation or dehumidification can be provided and the homeowner is instructed in cleaning the area. Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long term stability and durability of the measures. The Auditor evaluates the existence of mold and moisture problems which may prevent the weatherization of the home at that time. The LWA or SWC will refer the unit to an appropriate local agency for remedial action before any further weatherization activities are performed. Documentation for deferral will include notes of the visual inspections and photographic evidence to support the visual inspection. In cases where mold like substances have been detected, assessors will include the square footage of the area affected. Client will be informed of the presence and location of mold. The client will be provided the US EPA’s [\*A Brief Guide to Mold and Moisture and Your Home\*](#). ([www.epa.gov/mold/pdfs/moldguide.pdf](http://www.epa.gov/mold/pdfs/moldguide.pdf))

### **Code Compliance**

State and Local codes must be followed while installing weatherization measures. Workers must be qualified and adequately trained according to state and local codes specific to the work being conducted (electrical, plumbing, etc.). Correction of pre-existing code compliance issues is not an allowable cost other than where weatherization measures are being conducted. Condemned properties and properties where “red tagged” health and safety conditions exist that cannot be corrected will be deferred. Documentation for deferral will include notes of the visual inspections, diagrams of the visual inspection, and photographic evidence to support the visual inspection. Inform client of observed code compliance issues.

### **Ventilation**

ASHRAE 62.2-2013 is required to be met to the fullest extent possible when performing weatherization activity. A minimum of 50 CFM exhaust fans are required for full bathrooms and 100 CFM exhaust fans for kitchens. ASHRAE 62.2 training is required for all weatherization field workers and HVAC technicians.

Client will be informed of relevant indoor air flow issues. When mechanical ventilation is installed, the local agency will provide client with written educational information about the function, use and maintenance of the ventilation system.

### **Installation of Energy Kit Only**

This process is to be followed for any job that does not have a full weatherization project. Regardless of the reason, ie health and safety, home does not qualify for EmPOWER, etc. an energy kit must be installed. An audit fee of \$ 200 will be paid along with the cost of the measures installed.

***This process only applies to leads received after February 13, 2015***

1. The energy kit measures to be installed, quantity not to exceed:
  - a. 10 CFL bulbs
  - b. 2 faucet aerators
  - c. 1 shower head
  - d. 1 hot water heater wrap
  - e. 18 linear feet of hot water pipe insulation
  - f. 1 smart strip
2. DOE Energy Savings Guide needs to be reviewed and left with the client
3. Required Photos:
  - a. Front of the home that shows house number
  - b. Detailed photos of why a weatherization project cannot be completed
  - c. Photos of the installed energy kit measures
1. Required documents
  - a. Signed deferral letter
  - b. Signed energy consent form
1. In Hancock
  - a. Complete the client intake information

- b. Set the audit type to Other/No Energy Model
- c. Enter the measures installed
- d. Upload photos
- e. Upload signed deferral letter
- f. Upload signed energy consent form
- g. In the client comments detail the deferral reason

**Invoicing Procedure** (*This process only applies to invoicing the installation of energy kits only*)

- 1. Invoices will only be accepted with 20 jobs
- 2. Invoices with less than 20 jobs will only be accepted on the last business day of the month
- 3. Invoices that contain jobs that do not follow the above process will result in the entire invoice being returned

**NO HEAT/CRISIS CALLS**

DHCD, in partnership with DHR, provides crisis heating assistance for income eligible applicants. These crisis intervention services are offered during Maryland's heating season which starts 11/1 (10/1 in Garrett County) and ends 3/31. Lack of heat during this period is considered an emergency and these cases must be assessed by a licensed HVAC tech within 48 hours of being assigned. A resolution must be in place within 72hrs. In limited circumstances, where A/C is a requirement due to documented health reasons, A/C can be replaced, with Senior Program Manager approval.

Any agency accepting ancillary funds that can be used toward this purpose, including MEAP or RGGI, must meet this deadline and participate in the resolution of Crisis calls within their designated area. Please reference the funding attachments to the POM for specific funding source guidelines and protocols.

Please note, "No-Heat" calls are handled year-round. If the primary heating source in the home is reported as inoperable and it is not within the Heating Season time period, the same process shall apply, but the 48 hour crisis time period is waived.

Any income eligible applicant may be serviced, regardless of previous weatherization. DHCD Intake will verify the applicant's eligibility and enter the case in Hancock. The assigned agency will be notified via email. The email will include the applicant's name, Hancock Client Number, and any other necessary information including previous weatherization history.

An audit must be performed at each home. The goal is for each crisis case to become a weatherization case. Any case in which an existing health and safety issues may prohibit the installation of new equipment must be discussed with DHCD's Senior Program Manager or Client Production Manager before being deferred. If home is beyond the scope of weatherization services, please follow Energy Kit guidelines.

Below is the procedure to follow in Hancock when handling No Heat cases. Please follow the following procedures when addressing No Heat cases:

Access the original client record or create a new record if one does not already exist.

**If an original record exists**

- Go to Client Job List
- Select the "Add Job" button. This will create a new client record. *Change the job number*
- Audit information screen
- Job Type: For the initial No Heat select "Crisis"
- Audit Type: Every No Heat case must be energy modeled. The software will not block the job if the overall SIR is below 1.1. Select Full House Audit
- Funding Source: *Only* use MEAP or RGGI

**Job Approval**

For no heat emergency cases only you are not required to submit a job for approval. However, when you invoice the job for payment you must have the manual j, necessary photos, and applicable combustion safety testing results uploaded to the client record to be approved for payment. For jobs over \$ 4,500 you will have to email Brandon Jones requesting release. The subject line must read "**No Heat Request Release**" to expedite the release of the job block.

After the No Heat emergency is corrected, evaluate the home for additional weatherization services.

**If the home qualifies for additional weatherization services:**

Access the client record

1. Client Job List
2. Select the *Add Job* button. This will create a new client record. Change the job number
3. Audit Information Screen

4. Job Type; Select Crisis WX
5. Follow the normal weatherization process

**If the home does not qualify for additional weatherization services, does not meet EmPOWER guidelines, contains health and safety or structural issues:**

Access the client record

1. Client Job List
2. Select “Add Job” button. This will create a new client record. *Change the job number*
3. Audit Information Screen
4. Job Type; select Crisis Deferral
5. Please follow the installation of energy kit only process

### **Deferrals**

The decision to defer work in a dwelling or, in extreme cases, deny weatherization services, is difficult but necessary in some cases. This does not mean that assistance will never be available, but that work must be postponed until the problems can be resolved.

LWAs or SWCs who determine that a home is beyond the scope of DHCD’s weatherization programs must advise a DHCD Quality Control Inspector and document in Hancock their decision by providing descriptions of the repairs needed, photographic evidence to support the repairs needed, and cost estimates on the Deferral form, that must be signed by the client. Clients shall be notified in writing within 7 calendar days of the site visit wherein a determination was made to defer the work. The notification shall include reason(s) for deferral, any testing results, and appeal rights. LWAs and SWCs are expected to make reasonable efforts on behalf of their clients to find alternative assistance when DHCD funds for weatherization are unable to address conditions that lead to deferral. When possible, the notice shall include a list of potential agencies with funding designed to address the specific issue which precludes a client from participating.

### **Deferral conditions may include:**

- **Condemned** - The house has been condemned or is scheduled for demolition or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
- **Extensive Work Scope** - the building is in need of extensive rehabilitation, and no such

rehabilitation has been provided for.

- **Health or Safety Issues/Hazards** – \*reference Health and Safety items above for specific deferral conditions.
- **Excessive Clutter or Hoarding Conditions** – If the house has excessive clutter that would impede the installation of the weatherization work performed.
- **Uncooperative Client** - The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house. When an eligible client is uncooperative with the LWA or SWC, either in demanding that certain work be done and refusing higher priority work which is needed (e.g., demanding only windows), by being abusive to the work crew or subcontractor, or by being unreasonable in allowing access to the unit, every attempt should be made to explain the program and the benefits of the work. If this fails, work must be suspended and the DHCD Quality Assurance Inspector consulted.
- **Illegal Activities** - Illegal activities are being conducted in the dwelling unit.
- **Structure for sale** - building or dwelling unit that is for sale, or subject to bankruptcy or foreclosure.
- **Legal Dispute** - building or dwelling unit where ownership cannot be confirmed due to a legal dispute. Clear title must be established before services can be provided.
- **Conflict of interest or appearance of conflict** - when the structure is owned, managed or occupied by an employee, board member, officer or relative of a LWA/SWC employee, prior approval must be obtained from the regional supervisor before any work is started. If the client is a board member or senior staff member of the LWA or SWC prior approval will not be granted.

Before a house is deferred, a DHCD Quality Assurance Inspector must be notified. Pending their approval, a Deferral form that is signed by the client must be uploaded in Hancock. When a home has been deferred, the client must be notified in writing of the deferral and what corrective actions are necessary for weatherization to continue. Additionally the client should be informed of the process for them to appeal to a higher level in the organization.

In unusual situations not covered above or where other problems of a unique nature exist, the DHCD Quality Assurance Inspector should inspect the property.

If obvious discrepancies are found between the information supplied by the client on the application and observed conditions at the time of weatherization, the LWA or SWC must resolve these questions prior to weatherization. Some examples of discrepancies are an obvious change in the client's income, e.g., an unemployed client who is now back to work, a difference

in the number of persons living in the dwelling unit, (fewer persons than listed, a person or persons not accounted for who may have income), evidence of business being conducted in the unit, etc.

If at any time prior to the beginning of the actual weatherization work, the LWA or SWC determines that the client is no longer eligible, the unit cannot be weatherized. When an LWA or SWC has first-hand knowledge, or reason to believe that circumstances may have changed, the LWA or SWC should request an updated application from the client.

### **Procedures for Deferral**

The Energy Auditor must alert a DHCD QA to the decision to defer and why. The Energy Auditor or LWA/SWC representative must provide the client with a completed deferral form for the client to sign. If the property is a rental, property owners must also receive a copy. The client needs to sign the form and be provided with a copy of the signed form. Another copy must be maintained in the file and uploaded to Hancock.

If the client refuses to sign the form for the Energy Auditor, the Energy Auditor should contact the LWA/SWC. The LWA/SWC should attempt to contact the client to clearly explain the reason for the deferral and what corrective actions are necessary for weatherization to proceed. If the client still refuses to sign the form, the LWA/SWC representative should provide information of the process for them to appeal to a higher level in the organization. If the client still refuses to sign, the LWA/SWC representative should write in the client signature line that client refused to sign and leave them with a copy of the form.

Client files must include a copy of deferral documentation. Deferral documentation must include the information in the Weatherization Deferral Form. Local agencies may use this form or equivalent documentation. This documentation must be uploaded in to the Hancock system.

The record must be updated in the Hancock system; to close out the case in Hancock, the LWA/SWC must note the reason for the deferral in the 'Denied Client' Measure. Note that not all deferral methods have been listed as separate measures, so it may be necessary to choose one that is close and provide additional information in the comments line. The deferral form must be uploaded before the job will be closed.

### **Weatherization Measure Installation and Standards**

Decisions as to which services will be installed are determined by the audit results according to 13-5 DOE audit procedures, and in strict accordance with DOE guidelines, and 10 CCR 440

Appendix A. All measures should be installed according to the Building Performance Institute (BPI) Standards, the DHCD Saturn Energy Auditor Field Guide, and the DHCD Weatherization Program Operations Manual (POM).

The job file for every weatherized dwelling shall contain specific photographic documentation of pre, interim, and post-weatherization conditions. Circumstances, events, or measures requiring mandatory photographic documentation shall include, but not be limited to:

- Conditions resulting in a dwelling being placed on deferral status
- Unusual or hazardous conditions encountered during the course of work
- Justification for an atypical measure or course of action
- Verification of Lead-Safe work practices
- Photographs required for State Historic Preservation Office (SHPO) compliance
- Existing and replacement HVAC, appliances or equipment
- Verification of measures installed
- Insulation levels with insulation ruler (cellulose)

Photographic documentation shall additionally comply with the following minimum specifications:

- Images shall be digital
- Shall be clear and easy to view
- Shall contain captions which identify the job site and the specific events being depicted
- Shall be date and time stamped where feasible
- Image source files shall be retained electronically and shall be made available upon request
- The quantity of photographs taken shall be adequate to document all applicable circumstances, events, and measures
- Shall be printed using a quality color printer, grouping not more than six images per 8 ½" x 11" letter-sized page
- Print images as specified herein shall be maintained in the job file

### **Technical Training**

In order to maintain standardized quality in the field, DHCD requires every weatherization worker, regardless of assignment or role, to be trained and certified at the *Advanced Weatherization Tactics* level, which is taught in the classroom and the lab. This training provides weatherization workers with hands on experience in weatherization work, including the use of a blower door, and classroom training in Health and Safety, Building Science, and customer service. Additionally, *OSHA 10* and *Lead Repair, Renovation and Paint (RRP)* classroom



training and certification, which together cover the *Job Task Analyses (JTAs) for Retrofit Installer*, are currently required in order to be on a DOE project site. Additional safety training required weatherization workers include Asbestos Awareness and Mold Identification.

Crew Leaders must have the aforementioned training plus *Crew Leader Fundamentals*.

Energy Auditors (EAs) and Quality Control Inspectors (QCIs) must have the aforementioned training plus *BPI Analyst* or *Envelope Professional Training and Certification*.

All Quality Control Inspectors must have the *Home Energy Performance (HEP) Inspector Certification* in order to perform QC inspections in the state of Maryland.

### **Standard Work Specifications (SWS)**

The Standard Work Specifications (SWS), developed by the National Renewable Energy Laboratory (NREL) and adopted by DOE, define the minimum requirements to ensure that the work performed during energy upgrades in single-family, multifamily, and manufactured homes is effective, durable, and safe. This set of Standards has been integrated into the new Maryland Field Guide/SWS combination manual.

The *Maryland Field Guide* is designed to be specific to Maryland relevant measures, provide clear measure installation guidance, and tie in the applicable Standard for each measure. Specific technical references to Audit and Health and Safety protocols can also be found in the POM 2015. The DHCD Field Guides and standards will be provided by DHCD to all weatherization partner organizations at the Annual Network partners meetings.

All recipients shall sign a form acknowledging that they have received them. Mailings will also be sent to those not in attendance, which will require a mailed or emailed confirmation of receipt. Failure to do so will result in a “Stop Work” order from DHCD. An electronic version of the Maryland Field Guide is available online through a link on the bulletin page on Hancock and on DHCD’s website on the energy efficiency programs page.

### **Audit**

Local Weatherization Agency (LWA) and State Weatherization Contractors (SWC) staff will perform a comprehensive energy audit of each home to identify the problems in the building that promote air movement, heat loss and heating system inefficiency. The auditor will use the blower door, furnace efficiency testing equipment and other devices to determine the levels of efficiency and any health and safety issues with existing combustion appliances. The auditor will also assess health and safety issues requiring abatement prior to service delivery. Local agency staff will use the Hancock Energy Audit Tool (HEAT) to model the house and determine the

most cost effective measures. The HEAT tool will model the house and based on a number of custom factors specific to each home, will determine the best method, for treating the problems identified in the energy audit, including the selection of materials best suited for correcting the deficiencies. Energy Audits must be redone if work has not begun within one year.

DOE American National Standards Institute (ANSI) approved list of products must be used to ensure quality compliance for all measures installed in DOE funded dwelling units. LWAs should reference the list found on waptac.org at the following link:

[http://www.waptac.org/data/files/website\\_docs/government/rules/appendix%20a.pdf](http://www.waptac.org/data/files/website_docs/government/rules/appendix%20a.pdf).

### **Blower Door Guided Air-Sealing**

Air infiltration reduction must be performed on every dwelling unit receiving services unless the local agency documents that the installation of this measure is not cost effective or warranted due to existing conditions. The local agency will establish the pre-service Cubic Feet per Minute (CFM) level by performing a blower door test and measuring the cubic feet per minute air flow at 50 pascals and document the result in Hancock. The local agency will also establish the Minimum Ventilation Rate (MVR) for the dwelling and an acceptable air infiltration reduction threshold (Target) for their crews/subcontractors. The crews/subcontractors are expected to continue performance of air infiltration reduction protocols until the blower door readings are within the range of the MVR/Target CFM level. This “test-out” number must also be documented in Hancock. Reimbursement of expenses for air infiltration reduction will occur at a fixed rate per CFM reduced. Air Infiltration items within this cost rate, include, but are not limited to, the examples below.

### **Seal window A/C units**

Weather-strip all windows, doors, and access openings between heated and unheated areas. Where prime windows have storm windows, and are already weather-stripped or otherwise tight, weather-stripping will be left to the discretion of the LWA.

Install thresholds and/or door sweeps; re-glaze broken windows (including primes and existing storm windows and doors in good repair). Glass replacement in any door or panel 18" horizontally from the door opening must be with safety glass or Plexiglas.

Caulk/seal doorframes, window frames, fixed windows, building corners, along chimneys, areas where different materials meet (i.e., masonry to frame, foundation to siding), service entries, and other areas where infiltration and moisture can be stopped. Interior and exterior caulking/sealing will be directed through use of the blower door. Material selection should best suit the situation.

Installation of sill sealer between top surface of masonry foundation and sill plate to eliminate air infiltration. Sill sealer can be wedged into gap between the masonry foundations and sill plate if this problem exists.

Close off unused fireplaces (should be flagged and easily removable).

Seal and/or prime any wood, glazing and other materials that the manufacturer recommends being sealed if exposed to weather.

### **General Heat Waste Measures**

Local agency staff will install several devices designed to decrease energy consumption associated with the use of hot water. These measures cannot exceed \$250.00 and are required at every house.

Where allowable by manufacturer specifications, every water heater will receive an insulating jacket of "bubble-pack" or fiberglass design.

Cold water pipe to the first elbow and all accessible hot water pipes will be insulated.

Low flow restriction devices will be placed in the kitchen and bathroom faucets and on the shower heads.

Temperature settings on both gas and electric water heaters will be reduced to the lowest practical level.

Primary Heat Source Testing, Service and Replacement - Energy Auditors in Maryland must be certified BPI professionals and able to effectively diagnose any combustion safety issues on existing fossil fuel furnaces, and trouble-shoot electric Heat Pumps as well. These staff will assess efficiency levels and operational safety concerns. If required, agency staff will procure the services of licensed Heating ventilation and Air Conditioning (HVAC) contractors to clean, tune, modify or replace the heating system to achieve maximum operating efficiency and correct any deficiencies that affect the health and safety of a family. Finally, agency staff will perform post-inspections including test-out to ensure that contractors perform services in compliance with the standards and operating parameters established by DHCD.

Central heating systems can be replaced with energy efficient equipment when it is determined that the cost of replacement meets the savings to investment ratio tests established through the

auditing protocol. To assure the maximum amount of energy is conserved, the local agency must consider the Annual Fuel Utilization Efficiency (AFUE) ratings of replacement equipment. The results of the equipment test are published by the Gas Appliance Manufacturers Association (GAMA). Unlike steady-state conditions, this rating is based on average usage, including on and off cycling, as outlined in the standardized Department of Energy test procedures. The higher the AFUE rating, the more efficient the replacement heating unit. Replacement equipment must be Energy Star rated, and must meet or exceed the following AFUE at the most cost effective level:

- AFUE of 85 or better for oil/kerosene furnaces
- AFUE of 90 for gas furnaces
- AFUE of 85 or better for boilers (except some steam boilers that are only manufactured up to AFUE 83)
- AFUE of 83 percent for "weatherized" natural gas furnaces, i.e. designed to be installed outside the conditioned space
- SEER 15 or better for Heat Pumps

In addition, for gas-fired hot water boilers, oil-fired hot water boilers, and electric hot water boilers, the Energy Independence and Security Act of 2007 (EISA 2007) requires that residential boilers manufactured after September 2012 have an automatic means for adjusting water temperature (10 CFR 430.32(e)(2)(ii)-(iv)).

If the central heating system is found to be operating in an unsafe manner and it is determined that maintenance repairs and/or furnace retrofit of the unit will not provide satisfactory results, the local agency may consider replacement as part of the work scope if the measure is cost effective. All heating system replacements **MUST** receive approval from DHCD QA Inspectors before installation. Fuel switching is only allowed on an infrequent, case-by-case basis, and must be approved by DHCD Weatherization Assistance Senior Program Manager prior to installation of new equipment.

## TERMS

DHCD's weatherization programs require the subcontracting of these services to licensed furnace contractors. This does not preclude the hiring of qualified staff to perform assessment and quality control. The following terms have been defined to provide LWAs and SWCs with a common vocabulary:

<b>Air - Primary:</b>	Air that is induced to the combustion chamber by the burner to mix with oil or gas at the point of ignition.
<b>Air -</b>	Air that enters the combustion chamber after the ignition of atomized oil.

<b>Secondary:</b>	
<b>Baffle:</b>	A device to slow the passage of flue gases through the furnace enabling more heat to be extracted from the gases.
<b>Carbon Dioxide (CO<sub>2</sub>):</b>	A gas created by the fuel's burning process used during testing as a measure of complete combustion.
<b>Carbon Monoxide:</b>	An odorless, poisonous gas formed as a by-product of incomplete fuel combustion.
<b>Combustion Chamber:</b>	The chamber where combustion takes place. It is in the base of the furnace or boiler, surrounds the burner assembly, and radiates heat back into the flame to aid in combustion.
<b>Combustion Efficiency:</b>	Using a measured amount of flue gas and determining
<b>Analysis:</b>	Assess a furnace's efficiency by testing it for CO <sub>2</sub> , Oxygen, stack temperature and smoke.
<b>Draft:</b>	A flow of air that is "pulled" in a precise manner necessary for the removal of products of combustion. Draft readings should be taken over the fire. However, when using an electronic analyzer, test should be taken through the flue to avoid risk of burning out the thermocouple in the probe.
<b>Heat Anticipator:</b>	A small resistance heating element that causes the thermostat to shut off burner, circulator, etc., before desired room temperature has been reached. This prevents overheating of the room.
<b>Nozzle:</b>	A device used to atomize oil for combustion.
<b>Orifice:</b>	A measured opening where natural gas and propane pass through at point of combustion.
<b>Oxygen (O):</b>	An odorless, tasteless, colorless gas that must be present if combustion is to occur.
<b>Oil Pump:</b>	A pump used to lift oil from tank or build up atomizing pressure.

<b>Plenum:</b>	The chamber above the furnace from which the warm air is emitted to the distribution system.
<b>Smoke:</b>	The visible bi-product of the incomplete combustion of fuel.
<b>Stack Temperature:</b>	The temperature of flue gas and by-products to be taken at a specific location, not to exceed nine inches from the plenum.
<b>Steady State Efficiency (SSSE):</b>	The measure of the performance of the furnace while it is operating.
<b>Thermostat:</b>	A device used to control desired room temperature.

### **Manual "J"**

Contractors participating in the replacement program must prepare heat load calculations based on the Manual J for Residential Heating. The proper completion of this document is designed to enhance the contractor's ability to accurately select the proper size of the replacement unit. Manual J documents are required to be uploaded into the Hancock system prior to installation, and are required before invoicing.

### **Clean/Tune for Oil & Kerosene Fired Furnaces**

Regardless of the SSE test results, a clean/tune may be provided to all homes where oil or kerosene is used by the central heating system. At a minimum, the following will be performed:

- Conduct combustion efficiency and smoke tests before work begins and record results on appropriate forms
- Clean and vacuum system.
- Adjust air/fuel ratio for maximum efficiency.
- Replace burner nozzle.
- Replace air filter or install air filter if missing (preference for permanent washable filters to be used).
- Seal any area where excess air is evident, including cracks between sections, gaskets, fire door, etc. (gaskets are recommended as opposed to cementing)
- Inspect fuel pump and fuel line.
- Replace fuel filter if present or install if missing.
- Inspect all electrical connections and safety devices.
- Inspect chimney and smoke pipes.

- Inspect flue vent damper and draft controls. Make necessary adjustments to ensure proper draft.
- Lubricate all motors and moving parts where required.
- Clean house thermostat and test for operating accuracy.
- Perform combustion efficiency and smoke tests after work is completed and record results on appropriate forms.

### **Clean/Tune for Gas and Propane Fired Furnaces**

Regardless of the SSE test results, a clean/tune will be provided to all homes where natural gas or propane is used by the central heating system. At a minimum, the following will be performed:

- Perform combustion efficiency and smoke tests before work begins and record results.
- Clean and vacuum system.
- Inspect main gas valve, regulator and other control valve to ensure operational safety.
- Adjust air/fuel ratio for maximum efficiency.
- Replace air filter if present or install if missing.
- Inspect all electrical connections and safety devices.
- Inspect chimney and smoke pipes including water heater pipes if present.
- Inspect flue vent damper and draft controls. Make necessary adjustments to ensure proper draft. Lubricate all motors and moving parts where required.
- Clean house thermostat and test for operating accuracy.
- Perform combustion efficiency and smoke tests after work is completed and record results on appropriate forms.
- Inspect water heater, including flue, and perform back draft tests where appropriate.

### **Appliances**

Local agencies may replace inefficient refrigerators and water heaters with Energy Star efficiency appliances if it is deemed cost effective at 1.0, and approved by a QA Inspector. The efficiency of each refrigerator must be documented and uploaded into Hancock. Water heaters that are dangerous or have combustion issues can be assigned to Health and Safety if the SIR of 1.0 cannot be met and it is approved by a Quality Assurance Inspector. Local agencies must ensure removal and proper disposal of the old appliances.

### **Insulation**

The LWA/SWC is required to provide the labor and materials necessary to install insulation products in order to reduce heat loss between conditioned and unconditioned space and to improve the energy efficiency of the dwelling unit. All cellulose insulation must be purchased

from approved wholesalers/vendors. All materials must be installed in accordance the DHCD Field Guide and to SWS standards, including applicable codes, regulations, manufacturers' specifications and recommendations and in accordance with generally accepted industry standards. All insulation levels must be deemed cost effective.

### **Basements/Crawlspaces**

Floor insulation should be installed when practicable in the joist spaces over unheated crawl spaces. Areas where furnaces are located are considered passively conditioned, should not be taken out of the conditioned space and will require perimeter insulation. Floor insulation over Basement areas is not an allowed practice unless the room is being completely taken out of the conditioned space.

Install an R-19 friction-fit faced insulation batt between floor joists butting snugly against box sill. Add support for insulation between joists with bowed wire supports, or other effective material. If a faced batt is used, the vapor barrier must be against the floor (faced toward heated area).

Ventilation of unheated foundation areas to minimum free ventilation area one square foot per 1500 square feet. All unheated foundation areas must be vented if the floor is insulated. In order to prevent pipes from freezing, insulation should be installed over the pipes so the pipes remain between the insulation and the floor. There are methods of wrapping insulation around pipes (the application of electric tape and insulation, etc.) when it is not possible to insulate over the pipes. Heat ducts should also be between insulation and floors where possible. If they are below insulation, they should be insulated.

Perimeter insulation may be used in heated basements and crawl spaces. Install an R-19 friction-fit insulation batt along all foundation walls between the heated and unheated space. Batts should extend from bottom of floor to ground. Interior use of perimeter insulation may not be an acceptable alternative where basement areas are finished, where small children use these areas, or where moisture cannot be effectively controlled. Ventilation would not normally be used when the perimeter is being insulated.

Whether floor or perimeter insulation is installed, all dirt floors must be covered with a six (6) mill polyethylene film (ASTM C755-73), securely fastened so it adheres to the foundation walls, at least 4 inches from the ground. Be sure to have at least a four (4) inch overlap and fold over.



## Attics

Install cost effective, approved insulation materials in ceiling (attic) areas. In all cases, the attic access must be treated with insulation materials equivalent to the surrounding area and appropriate general heat waste materials should be installed to restrict the flow of air between the conditioned and unconditioned space. Insulation rulers must be used to verify levels of blown insulation.

The LWA/SWC shall determine the presence of potential roof leaks through visual inspection and discussion with the owner. Minor leaks must be eliminated before insulation can take place. DHCD's weatherization programs do not allow for major roof repairs. Such repairs must be within the current funding limits of DHCD's weatherization programs and warrantied by the agency.

A visual inspection of the ceiling must be performed to ensure that it will support weight of insulation. It also should be noted that the roof will be subject to an increased snow load due to the new insulation. Therefore, the condition of the roof structure should be examined.

Existing wiring must be checked to determine if it is live. The occupant should be questioned as to frequency of blowing fuses, tripping of circuit breakers, heating of switch plates or outlet covers and flickering of lights.

Barriers must be provided around recessed light fixtures, junction boxes, chimneys and flues, and doorbell transformers. When a sound chimney with a flue liner exists, an unfaced batt of insulation should be placed as barrier around the chimney to prevent cellulose insulation from falling into the cavity and making contact with the chimney. If the condition of the chimney is in question or if no flue liner exists, the chimney should be repaired and a barrier should be provided allowing a minimum 3 inches of dead air space around the chimney.

*NOTE: The National Electric Code requires that no insulation be placed within three inches of "recessed light fixtures enclosures, wiring compartments, or ballast and shall not be installed above the fixture as to entrap heat and prevent the free circulation of air". In the case of wiring that is cracked, frayed, deteriorated, or otherwise in question, do not add insulation to this area until the wiring is inspected and repaired by a qualified licensed person.*

Dryers, kitchen and bath fan vents that terminate in the attic should be extended to the outside. Any vent duct passing through the unheated attic should be insulated.

Heat ducts and pipes passing through unheated attic areas should be wrapped with un-faced batts of insulation or duct/pipe wrap.

Install fiberglass, mineral wool or cellulose insulation in designated attic areas to achieve a level of R-49 or the alternate R-Value that is determined to be cost effective. The Pneumatic Application can be used to accurately assess whether the appropriate number of bags were installed. **ATTICS MUST BE AIR-SEALED WHEN USING THIS METHOD BEFORE BEING INSULATED.** This includes the sealing of plumbing and chimney chase ways, electrical penetrations and other access ways.

Install blown fiberglass, mineral wool or cellulose insulation under designated floored attic areas to meet the highest practical level possible.

Install high-density cellulose insulation in cantilevers and attics of row homes when the roof and upper living space have common joist. Installation must be achieved to the highest practical R-value based on prevailing conditions and cost savings. Insulation applied in this manner will also reduce the infiltration rate significantly. After installation, a blower door test must be performed to determine if further air sealing is required.

Install fiberglass, mineral wool or cellulose insulation in designated cavities above home additions to achieve a level of R-49 or the highest amount determined to be cost effective.

### **Kneewalls**

Install insulation in attic cavities created by knee wall construction when deemed cost effective. The result of installation must create insulation coverage on all surfaces between conditioned and unconditioned space.

Insulate the lower ceiling area behind the knee wall with fiberglass, mineral wool or cellulose to achieve a level of deemed cost effective at R-30 or better when open joists exist or to the highest practical level when the area is floored; Provide air barrier sealing and joist cavity sealing.

Insulate the knee wall cavity with fiberglass batt to achieve a cost effective level of R-19 or better.

Treat the access to the knee wall area with insulation equivalent to the surrounding wall area. Appropriate general heat waste materials must be installed to restrict any air infiltration; Seal the roof joist cavity at the knee wall and prepare for blown or batt insulation to achieve the highest practical level of insulation in each of the attic joist cavities; and Insulate the collar beam area to a level of R-30 or greater using fiberglass, mineral wool or cellulose

materials. Access to this area must be insulated to a level equivalent to the surrounding area and appropriate general heat materials must be installed to restrict air movement between the conditioned and unconditioned space.

### **Duct Insulation**

Install duct insulation on all hot air ducts which pass through unconditioned space in the home. Inspect the entire hot air distribution system and perform repairs and sealing where required.

Insulate with cost effective materials with an R-value of 6 or better. All insulation joints must be taped or sealed to prevent separation or heat loss; Perform system balancing, when required, using a "duct blasting" protocol or other acceptable means for measuring system distribution efficiency.

Repairs or retrofit of both the heat distribution and cold air return systems will be performed using the appropriate materials.

### **Wall Insulation**

Install blown insulation into exterior wall cavities using a "dense pack" when such a measure is deemed cost effective. Determine the integrity of the exterior wall surfaces and certify that the addition of dense pack insulation will not adversely affect the physical structure of the dwelling unit.

Interview the customer to ascertain the heating/cooling costs of the unit well as to determine if any special problems exist in the structure; Conduct a walk-through of the dwelling unit to identify key junctions and bypasses, wall/ceiling junctures, wall/floor junctures, offset floors ceilings, cantilevered floors, overhangs and garages under living and make the necessary adjustments in the installation methodology to properly address the construction differentials; Install dense-packed insulation in the wall cavities to achieve a settled density of R-3.5 per inch or 3.5 pounds per cubic foot; Perform a blower door test after completion of the insulation protocol to determine if further air sealing is required; Install rigid insulation with a minimum R-value of 5 per inch below grade 7.2 per inch above grade, when required; and Re-test the dwelling unit and basement for negative pressure produced by exhaust fans or the central heating/cooling system which could lead to spillage and back drafting of the combustion appliances.

### **Attic Hatch Installation**

The installation of an attic access may be required in order to determine insulation levels in

ceiling/attic areas or to gain access for installation of insulation materials. Attic hatches must be insulated. According to the DOE, an uninsulated 10 square foot attic hatch in a 100 square foot insulated attic can decrease the overall R-value of the attic floor by more than 50%. This opening must be large enough to allow an average sized individual to pass through and access the attic area. Access panels that exceed 3'x3' are subject to lead safety protocol. Rigid dams (not fiber glass batts) must be installed around attic hatches.

Locate the attic hatch in an inconspicuous area of the upper floor ceiling (e.g., closet, bedroom corner).

Locate the access between the joist cavities and cut the opening between two (2) joist spaces. The minimum acceptable width will be 14 1/2". The average length should be 20". After clearing the materials from the opening, a trim frame must be constructed with a sufficient reveal to accommodate a hatch cover of plywood or drywall. The trim corners must be cut at 45 degrees to create a professional corner molding. The trim must be finished with white primer and/or paint. Nail holes or screws must be countersunk and finished with cover materials. The trim must be caulked to the surrounding ceiling materials to prevent air infiltration.

Fit the access plate of plywood or drywall into the opening in a manner that allows easy removal but does not allow free air flow between the conditioned and unconditioned space. The access plate (or the reveal of the trim casing) must be insulated with an acceptable weather-strip material to avoid air infiltration between the conditioned and unconditioned space. Insulation materials equivalent to the surrounding insulated areas must be permanently affixed to the back of the access panel. The panel must be painted or primed.

Install a "build-up" box, when required, around the attic access to allow for the depth of the access materials (e.g., pull down stairs to the attic area). The same standards for installation apply. All sides and top must equal the surrounding R-value.

### **Storm Windows**

Aluminum storm windows will be installed on prime windows that open into the heated areas of the dwelling unit when the HEAT tool deems the installation to be cost effective. Storm windows can only be installed whenever single glazed primary windows exist. Triple glazing of windows is not an allowable expenditure. All primary windows and existing storms will be glazed and panes will be replaced if broken. Windows above the second story, windows which swing out and other prime windows where exterior storm windows cannot be reasonably installed may be fitted with insider storms or other approved means of treatment. Alternate

treatments must be documented in the customer's file. Materials to be provided must be available in white, brown or mill finish.

**Window and Door Replacement** - Replacement, repair, or installation of windows and doors is not an allowable health and safety cost but may be allowed as an Incidental Repair (DOE) or an infiltration reduction efficiency measure. The LWA/SWC is required to provide the labor and materials to install replacement primary windows and doors in cases where repair is not cost effective or the fenestration does not exist but should for energy conservation and health and safety reasons. All materials must be installed in accordance with manufacturers' specifications and recommendations and in accordance with generally accepted industry standards.

Materials to be provided must be available in white, brown or mill finish.

The LWA/SWC must install double glazed windows with vinyl or aluminum to match the existing interior and exterior surrounding walls.

Replacement prime doors must be solid core construction, exterior grade, finished with one (1) prime coat and one (1) finish coat of exterior grade white paint or two (2) coats of polyurethane. Doors may be solid and equipped with a vision device or with 1 center lite and must be secured with existing or new jamb, hardware, locks, etc. The door shall include weather-stripping, sweep, threshold and caulking. Homes having historical significance may require finishes to be done in white. Also, custom work may be requested in order to maintain the integrity of the opening.

The LWA/SWC will be responsible for removal of the old window sash, doors and frames and clean-up of the interior and exterior area.

### **Domestic Lighting Retrofit**

The LWA/SWC is required to provide the labor and materials to retrofit residential lighting in accordance with the policies set forth by the DHCD's weatherization programs.

- Identify the most used fixtures in the dwelling based on information obtained during the customer interview
- Examine the existing light fixture to be replaced and determine the wattage/type of bulb (compact fluorescent, quad, etc.) to be used. Generally, a lamp must be on for 2 hours or more per day for a compact fluorescent to be cost effective. Most homes will require four (4) lighting replacements.
- Obtain the permission of the occupant to replace specific incandescent bulbs with compact fluorescent tubes or other applicable bulbs when it is deemed practical and cost

effective.

- Replace bulbs using CFL inventory from commercially available products

### **Health and Safety Issues**

There are health and safety issues to be included in the auditing protocol. A description of how each issue will be identified and corrected is contained in the Health and Safety Plan. According to DOE regulations, allowable energy related health and safety actions are those actions necessary to maintain the physical well-being of both the occupants and/or weatherization workers where:

- Costs are reasonable; and
- The actions must be taken to effectively perform weatherization work; or
- The actions are necessary as a result of weatherization work.

### **Incidental Repairs**

Incidental repairs required to effectively install any materials identified through the audit required as part of the health and safety protocol may be performed. The total cost of the materials and labor associated with incidental repairs may not decrease the overall job SIR below 1.1. Such incidental repair costs shall be included in the overall cost in determining the total expenditure for weatherizing the unit. Typical incidental repairs include repair of minor roof leaks, windows, doors, gutters/downspouts and floors.

Each Incidental repair MUST be tied to the ECM it is allowing to be installed.

Justification on why the incidental repair must be allowed in order for the ECM to be installed must be listed in Hancock before Invoice.

The ASHRAE 62.2 2013 testing and required work is completed on every home - The BTL (Building Tightness Level), MVR (Minimum Ventilation Rate) and some other existing dwelling CFM50 threshold values are all based on the older, and now obsolete, ASHRAE 62-1989 ventilation standard. As weatherization programs implement the current ASHRAE 62.2-2013 Standard, the use of the BTL, MVR, or other thresholds to limit the air sealing activities on a dwelling based on ventilation requirements will cease. The purpose of ASHRAE 62.2 is for pollutant source control and defines acceptable ventilation levels.

### **Pollutant Control and Indoor Air Quality**

ASHRAE 62.2-2013 defines acceptable indoor air quality (IAQ) as: “air toward which a substantial majority of occupants express no dissatisfaction with respect to odor and sensory irritation and in which there are not likely to be contaminants at concentrations that are known to

pose a health risk.” The challenges in determining IAQ issues are the more typical cases that might include small areas of mold and mildew, formaldehyde emitted from kitchen cabinets, or volatile organic compounds (VOCs) from carpets, paint, and household cleaners. Weatherization personnel do not typically have the equipment or protocols to detect these problems. ASHRAE 62.2 is intended to mitigate these types of pollution by diluting the indoor air with fresh outdoor air (whole-building ventilation) and eliminating some pollution at its source (local bathroom and kitchen ventilation).

- **Pets** – Homes with indoor pets can be assumed to have unacceptable air quality.
- **Smoking** – If an occupant of the home is a smoker, the home is considered to have unacceptable air quality.
- **Gas range** – If the home has a gas-fired range (oven, range-top burners, or both) without an operable range hood vented to the outdoors, it is considered to have unacceptable air quality.
- **Moisture** – If a visual and sensory moisture assessment for historical and existing evidence of moisture problems demonstrates moisture concerns, including but not limited to condensation on windows, rotting sills, musty odors, suspected mold, water stains, etc., the home is considered to have unacceptable air quality.
- **Carbon monoxide** – It is required to correct CO at the source for higher levels, but even lower level CO poses problems with long-term exposure. Conduct ambient test of CO upon entry, prior to performing blower door tests. If there are detectable CO levels in the dwelling, which are higher than levels outside the home, the home is considered to have unacceptable air quality.
- **Carbon Dioxide** – Prior to performing blower door tests, measure CO<sub>2</sub> in the living space and the master bedroom – if the levels are above 1000 ppm (the level that occupants begin experiencing CO<sub>2</sub> related symptoms), the home is considered to have unacceptable air quality.
- **VOCs/Formaldehyde** – If furnishings or materials known to emit VOCs/formaldehyde have been installed within the past year, the home is considered to have unacceptable air quality. Materials include cabinets or other furnishings made of sheet goods (MDF, plywood), new flooring (includes carpeting and other flooring installed with adhesives), and any other materials known to contain and off-gas VOCs and/or formaldehyde.
- **Odors** – If there are objectionable odors, the home is considered to have unacceptable air quality.
- **Ozone** – If any ozone producing equipment such as an electronic air cleaner is present, the home is considered to have unacceptable air quality.

**ASHRAE 62.2 2013 also includes:**

- Spot ventilation requirements as mentioned
- Attached garages must be adequately sealed from living space to prevent migration of contaminants
- Clothes dryers must be vented to exterior
- All duct joints outside conditioned space must be sealed
- Branch duct systems must have backdraft dampers
- Whole-home fan flow must be verified
- Continuous vs. intermittent fan specifications

## **Ventilation**

Proper and adequate ventilation must be installed to ensure the effectiveness of the insulation and guard against deterioration caused by moisture accumulation. ASHRAE 62.2 is required to be met to the fullest extent possible, when performing weatherization activity. Implementing ASHRAE 62.2 is not required where acceptable indoor air quality already exists as defined by ASHRAE 62.2. Existing fans and blower systems should be updated if not adequate. Federal Housing Authority (FHA) standards require one square foot of ventilation (free air) for each 150 square feet of insulated area. This ratio applies to ceilings without proper barrier. When vapor barriers, having a transmission value not exceeding one perm, are properly placed, or where at least 50% of venting is provided by soffit vents and at least 50% of the venting is located as high sources of ventilation (minimum of 3 feet above soffit vents), FHA allows a ratio of 1/300.

Soffit venting should be installed wherever practicable. In homes that have soffit vents either in-place or to be installed, some form of barrier must be installed to assure that insulation does not block the vent; thus allowing for a free flow of air.

Install ventilation in attic and floor areas when it is determined that the installation of these materials will enhance the effectiveness of insulation materials or reduce moisture problems identified during the audit protocol. All ventilation must be installed and sealed in a manner consistent with industry standards and conform to surrounding material composites to avoid moisture infiltration. All ventilation work must be warranted for a period of not less than two years. Areas in the dwelling where ventilation can be installed include:

- Attic and roof areas between the insulated envelope and the outdoors. This ventilation can include: roof vents (mushroom caps); gable vents (louver and/or adjustable); soffit vents (louver and 1" to 3" round louver); window vent conversions; and roof ridge vents;
- Sidewall areas to ventilate insulated wall cavities or knee walls. This ventilation can include: gable vents (louver and/or adjustable); hole vents (1" to 3" round louver vents); and soffit vents; and
- Floor areas to ventilate insulated cavities or reduce moisture problems. This ventilation



can include: basement wall louver vents (thermal, mechanical and passive); and hole vents (1" to 3" round louver vents).

### **Bathroom Ventilation**

Existing operable fans that will remain in place and serve as part of the ventilation system shall be measured to see if they reach the required 50 cfm.

### **Kitchen Ventilation**

On-demand exhaust fan:

- Should have on-demand fans that exhaust at least 100 CFM and are controlled by an on/off switch.
- The fan may be located anywhere in the kitchen, but a range hood or a fan location near the range is preferred
- Continuously-operated exhaust fan.
- Should have continuous operating fan that exhausts at least 5 ACH based on kitchen volume.
- A continuously operating kitchen fan or a programmed intermittently operating fan may serve as the whole-building ventilation.
- If a kitchen does not have the amount of ventilation stated, it must be provided, or Appendix A of ASHRAE 62.2 must be used for sizing whole-building ventilation
- Kitchen fans to be installed must be rated for use in the kitchen
- Installed fans must have a backdraft damper at the fan and at the duct termination
- The duct termination must be outdoors
- Fan flows of existing kitchen fans that are to be left in place must be measured or the flow rate shall be determined by the fan label according to ASHRAE 62.2 requirement
- Outdoor make-up air should be provided for kitchen fans exhausting more than 200 CFM.

### **Whole-Building Ventilation**

Whole-building ventilation operating continuously shall be no less than 7.5 CFM per person + 0.03 CFM per 100 square feet of conditioned floor area. Actual number of occupants is to be used.

This ventilation may operate intermittently, but:

- The CFM airflow must be increased accordingly while the fan is operating. For example, a flow rate of 25 CFM for continuous operation would be increased to 50 CFM for 30 minutes-on/30 minutes-off operation.

- The fan must operate at least once every 3 hours.
- The fan must be controlled automatically.
- The fan control must be appropriately labeled.

If the bathroom and/or kitchen fans do not satisfy the requirement of 50 CFM and 100 CFM airflow rates, respectively, Appendix A of the most recently adopted ASHRAE 62.2 (Alternative Compliance Supplement) must be used when sizing the minimum whole-building airflow rate.

The whole-building ventilation may be a single exhaust fan; multiple exhaust fans controlled appropriately; a balanced system, such as a heat recovery ventilator; or part of the furnace air-handling system.

Local bathroom and/or kitchen exhaust fans are permitted to be part of the whole-building ventilation system.

The system must be designed to operate during all occupied hours.

A readily available override control must be provided to the occupant.

The Alternative Compliance Path was added to the 2010 version of the Standard to make the Standard easier to comply with in existing dwellings (this Alternative appears in Appendix A of the 2010 version). This compliance path allows one to increase the CFM flow rate of the whole-building fan to compensate for deficits in local ventilation (less than 50 CFM in bathrooms and 100 CFM in kitchens). Per the Alternative Compliance Path:

- Kitchen requires 100 CFM on demand or 5 ACH continuous, based on kitchen volume.
- Bathroom requires 50 CFM on demand or 20 CFM continuous. Not required in ½ baths.
- Operable windows in those rooms reduce deficit by 20 CFM. Only one deficit reduction per room.
- Deficit cannot drop below zero.

### **Mobile Home Weatherization**

The LWA is required to provide the labor and materials necessary to weatherize eligible mobile homes using cost effective measures as determined by a MHEA audit. The standards for service delivery will be similar to those referenced above. All materials must be installed in accordance with manufacturers' specifications and recommendations and in accordance with generally accepted industry standards.

Perform blower door-directed air infiltration reduction in accordance with the standards and

procedures referenced above. All health and safety protocols must be strictly practiced during the air sealing.

Install replacement prime windows with either single strength or thermal glass and install interior storms and trim as specified in the work order. The materials provided must be available in white, brown or mill finish and must be purchased from vendors designated on the Approved Vendor List. Windows must have vinyl or aluminum frames, various finishes and appropriate capping and materials to trim the window to match the existing interior and exterior surroundings.

Replace front entrance door with a combination door (prime with storm) or similar product. The door shall include weather-stripping, sweep, threshold and caulking. Rear prime doors will be replaced with suitable mobile home materials for the opening. Materials to be provided must be available in white, brown or mill finish and be purchased from vendors identified on the Approved Vendor List. Appropriate capping and materials must be installed to the door trim so that it matches existing interior and exterior surrounding walls. Custom work may be required in order to maintain the integrity of the mobile home opening and secure the installation.

Install mobile home skirting (including drip edge, venting and access panel (average mobile home size 12 x 70, 30" high). This material must be vinyl composite and colored to match the home when possible. When the height of the panel exceeds 30", bracing may be required.

Perform incidental repairs (DOE) as may be required to enhance the integrity of the mobile home shell. These repairs could include:

- Insulate the belly-board area using a dense pack technique similar to sidewall insulation. This procedure must be performed by trained crews capable of recognizing and treating all special constraints of this procedure prior to installation. Air sealing of the air duct system and the integrity of the belly-board system must be performed prior to installing insulation materials.
- Perform treatment of the water heating system in accordance with the standards set forth above. Insulate air ducts and water pipes in unheated areas in accordance with the standards set forth above.

### **National Historic Preservation Act**

The procedures below outline the process for those activities which may have a possible effect on historic properties and ensures that DHCD's weatherization programs are in compliance with the Programmatic Agreement (PA) with the Maryland State Historic Preservation Office (MD SHPO) regarding the National Historic Preservation



**NO WORK MAY BEGIN UNTIL THE PROJECT HAS BEEN REVIEWED AND APPROVED IN WRITING BY THE DHCD HISTORICAL ARCHITECT.**

**Review Process:**

1. When a window or door measure has been added, the Hancock system will move to the State Approval Screen where the program will stop the job from being processed further. A DHCD inspector reviews the measure and if the proposed work is limited to measures listed in the PA Exhibit I, no additional review is necessary. Hancock is unlocked and the work can proceed. Most weatherization measures do not require further review.

2. If the proposed work is not limited to activities listed in Exhibit I, the LWA/SWC or Energy Auditor must provide the following project information to the DHCD historical architect for review.

- Digital photographs showing general views of all sides of the exterior of the building.
- Digital photographs showing the features that will be affected by the proposed work (e.g. the window to be repaired for example).
- List the work to be undertaken, please be specific (for example; replace broken glazing in first floor living room window, 2'6"x3'4" double hung wood window, wood frame to remain).

Once approved or denied, the DHCD Historical Architect will notify the LWA/SWC and DHCD WAP by email the results of the review and the project is released from Hancock.

## SECTION 9 QUALITY CONTROL AND QUALITY ASSURANCE FOR WEATHERIZATION UNITS

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### SUBSECTION 9.A QUALITY CONTROL REQUIREMENTS

#### 10 CFR 440.16(g) states:

*“No dwelling unit may be reported to DOE as completed until all weatherization materials have been installed and the subgrantee, or its authorized representative, has performed a final inspection(s) including any mechanical work performed and certified that the work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required in 440.21.”*

DHCD requires Quality Control (QC) for every unit assisted through the Department’s weatherization programs. Every weatherized unit reported as a completed unit must receive a quality control inspection by the LWA/SWC to ensure that all work meets the minimum specifications outlined in the SWS. Further, beginning with the DOE WAP 2015 Program Year, all QC inspectors will be required to have received the Home Energy Professional Quality Control Inspector certification, verifying that the individual has the required credentials to conduct the QC inspection. When this requirement goes into effect for the DOE WAP program, it will also become a requirement for the EmPOWER LIEEP program.

The purpose of the Quality Control inspection is to:

- To provide services in a manner that meets the highest level of professionalism and to comply with standards established by DHCD, the federal government, and the industry; and
- To provide services in a timely fashion and with the highest level of resource accountability possible in accordance with the scope of work provided.

The following are mandatory for QC Inspectors:

- QCI competency must be demonstrated by BPI Certification as a Building Analyst or Envelope professional.
- Beginning FY2015 Quality Control Inspectors must be certified as Home Energy Professional Quality Control Inspectors.
- The LWA/SWC is responsible for ensuring that all Quality Control Inspectors are adequately trained and credentialed.
- Quality Control Inspectors must be independent of the work they are inspecting. The

Quality Control Inspector cannot be the same individual who audited the property or performed any of the work for the property they are inspecting.

- Quality Control Inspectors must be full-time employees of the agency for which they perform inspections unless a waiver is obtained from DHCD.

Each agency is required to have two full-time BPI certified staff members to audit and perform quality control on 100% of their houses weatherized through DHCD's programs. It is the responsibility of the Quality Control Inspector to ascertain the completeness and quality of work according to the work order, of each dwelling unit before certifying in the Hancock system that the unit is complete. BPI Technical Standards, DHCD Field Guide installation processes and SWS quality of standards should all be considered in this process.

At a minimum, Quality Control Inspections must contain these elements:

- Perform a blower door test to verify results of air infiltration reduction achieved;
- Perform a combustion efficiency test of the central heating system (fossil fuels) to verify results of furnace service contractor;
- Perform a walk-through inspection of the property to verify the presence of installed materials and that the installation of materials as recorded on the Work Order and Invoice documents meet SWS quality;
- Document customer comments and obtain customer signature on the appropriate forms which verifying the work performed; and
- Certify completeness and quality of all items listed in the work scope in the Hancock system.
- Clear photos of every measure installed.

### **C. Quality Assurance Inspection and Sampling**

DHCD's HBEP Quality Assurance inspectors are required to review not less than 10% of each batch provided to the DHCD by LWAs and SWCs. If the Quality Assurance Inspector finds a pattern of missing or poor quality work in the random sampling, a higher percentage or all dwelling units of that LWA/SWC may be inspected.

DHCD's HBEP QA staff will inspect only those units that have been certified as complete in the Hancock system by the LWA/SWC Quality Control Inspector.

If a unit is rated "Poor" the contact person at the LWA/SWC will be notified via email by the QA inspector and will receive an automated email from the software advising of the poor-rated QA. The agency must access Hancock and create a work order of all items rated poor (see

Appendix D, Hancock Manual for specific process) The software will email the QA Inspector to inform them that a call-back work order has been created. Once the installation of the call-back work order is entered and certified by the LWA/SWC Quality Control Inspector, the software will email the Quality Assurance Inspector that the unit is ready for re-inspection.

DHCD understands that “Poor” rated units will occur periodically. However, after a comprehensive inspection that has been certified by the SWC’s/LWA’s Quality Control Inspector, measures rated “Poor” by DHCD/HBEP Quality Assurance Inspectors should be relatively minor and infrequent.

“Poor” rated units must be scheduled for resolution by subgrantees within five working days. Issues impacting occupant health and safety must be resolved within 24-72 hours, depending on the seriousness of their nature. Subgrantee failure to adhere to this policy could result in the withholding of referrals, back-charges, stopping payment on current invoices and, in extreme cases, suspension or removal from the WAP. DHCD requires that all outstanding “Poor” units be resolved in a timely manner and may request development and implementation of a corrective work plan, additional training, or additional T&TA for the Subgrantee. When DHCD QA Inspectors recognize a trend in units rated "poor", they may request that the subgrantee auditor attend QA Inspections to provide immediate-on-site T&TA with corrective action.

Ongoing Field Monitoring and T&TA - Not including inspection visits, WAP Quality Assurance Inspectors spend 10% of their time providing Training and Technical Assistance to subgrantees. If a subgrantee wishes to verify that their standards are acceptable, if challenges arise in the field, or if workmanship is unsatisfactory, DHCD QA Inspectors can immediately identify and address any issues with the subgrantees through the provision of technical assistance or additional training. Early identification and ongoing support limits unspecified and sudden drops in quality and production, and ensures a workforce that is well trained and producing consistently at a high level.

Upon receiving the QC report, DHCD’s energy programs unit will process the completed job for reimbursement. Each LWA or SWC's production will be batched and submitted to DHCD's Finance office on a weekly basis. In no case will payment be made prior to receiving the QC Certification.

To clarify standard inspection protocols, please note the following:

- A unit will receive a poor QA inspection if materials reported as installed cannot be found;

- A unit will receive a poor QA inspection if measures were not installed to standards;
- No unit will be rated poor for missed opportunities regarding air infiltration reduction, unless the inspector uses a blower door and can verify that substantial air leakage still exists;
- A unit may receive a poor QA inspection if major weatherization services or leveraging opportunities were missed (e.g., no attic insulation installed and could have been, no furnace work performed etc.) and the file does not indicate why the service was omitted.
- A unit will receive a poor QA inspection if additional, uninstalled health and safety measures are still required to protect the family.

#### **D. Customer “No-Show” Policy**

It is anticipated that a small percentage of units will not receive Quality Control inspections due to a variety of extenuating circumstances including:

- Customer moves/dies & property is vacant or occupied by a second party; or
- Customer is unavailable after several attempts to re-enter and inspect.

The following are the procedures for reporting "no show" properties:

- Local agency completes the weatherization services and forwards the Work Order to the Quality Control Inspector.
- Quality Control Inspector will be responsible for contacting landlords/property managers to seek assistance in completing the inspection process, as required.
- Quality Control Inspector must make several attempts to enter the property, including:
  - Contacting the customer by telephone to schedule appointment;
  - Forwarding of a letter setting a time and date for the inspection;
  - Conducting an unscheduled site visit to the dwelling; and
  - In the case of rental properties, performing the previous steps with the landlord as well as the customer.
- The Quality Control Inspector alerts DHCD staff that the unit cannot be accessed and provides documentation of each attempt to contact.

In the event that an LWA or SWC exceeds their allowable percentage for "no show" properties and still retains production that cannot be inspected, DHCD's HBEP staff should be immediately notified for advice on how to seek reimbursement. Decisions regarding these matters will occur on a case by case basis. DHCD reserves the right to remedy these situations in whatever fashion it deems is in the best interest of the State.





## SECTION 10 MANAGEMENT INFORMATION

### SUBSECTION 10.A CLIENT STATUS/PIPELINE REPORT

The Client Status/Pipeline Report is designed to provide DHCD a status update of all jobs listed in Hancock. This report is used to help DHCD managers determine budget allocation and lead distribution. It is the responsibility of the network partner to ensure the status of each job is properly reflected in Hancock. Spreadsheets and written updates will no longer be accepted. Please follow the process below to verify every job serviced is accurately reported in Hancock.

1. Main Hancock Menu; expand Job Menu and select Client Status Report
2. Select the funding source ***Note: For accurate results a funding source must be selected***
3. Leave the county and program year blank
4. If county specific job status is required, select the appropriate county
  1. The target date will default to the current date, this can be changed if needed
  2. Hit search
  3. Click on the blue numbers to see the specific client detail for each status. This detail will assist in determining if a job has the proper status
  4. Bottom left of the screen select pipeline report. The report will provide a high level overview of the current pipeline

### SUBSECTION 10.B TARGETING OF ELIGIBLE POPULATIONS-OUTREACH

*Note: The following information pertains only to the DOE WAP program. Priority in the EmPOWER LIEEP program is given to households with the highest energy burden.*

Prioritization is used to identify and provide weatherization services to eligible households. LWAs will target provision of weatherization to the elderly and households with persons with disabilities. Listed below are the specific criteria used by LWAs in prioritizing eligible dwelling units to be served:

1. Units occupied by homeowners;
2. Units defined as "high residential energy user" customers by those utility companies offering to provide supplemental funding for the weatherization effort and whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the State;
3. Units in which utility consumption exceeds 135% of the utility systems average as indicated by the dwelling units' respective utility company and whose household income is 50% of poverty or below;

4. Units in which utility service has been re-connected due to the household participating in the Maryland Public Service Commission Utility Service Protection Plan and whose household income is 50% of poverty or below;
5. Units with children five (5) years of age or younger;
6. Units with “households with a high energy burden” whose residential energy burden (residential expenditures divided by the annual income of that household) exceeds the median level of energy burden for all low-income households in the State.

Non-targeted dwelling units are those with households whose income does not exceed 200% of poverty and who are not referenced above. Service to these units will be allowed on a first come, first served basis after all target units have been prioritized.

1. Applications and referrals must be sorted upon receipt into Target or Non-Target groups.
2. Once applications are sorted into Target and Non-Target groups, they must be certified following policies and procedures. The priority applications must be considered first for certification and service delivery. It is possible to have priority and non-priority applicants receiving services concurrently. Services to clients should not cease at any point during the program year due to a lack of priority applicants.

#### **SUBSECTION 10.C RE-WEATHERIZATION**

Homes receiving assistance through the DOE WAP program prior to September 30, 1994 may be re-weatherized (re-visited) with DOE WAP. Re-visits are limited to installation of measures not already installed during the initial weatherization effort. The local agency must follow all current guidelines regarding the audit protocol and HEAT modeling. Only services that pass the savings to investment tests may be installed. Limits of expenditures are the same as those of new weatherization projects. In no case may the amount spent for reweatherization exceed the local agency average assistance limit.

Homes receiving assistance through the EmPOWER LIEEP program may not have been weatherized in the previous five years.

#### **SUBSECTION 10.D LIMITS OF SERVICE**

An average cost per dwelling unit is established each program year for services provided.

### **SUBSECTION 10.E UNOCCUPIED DWELLING UNITS**

An unoccupied dwelling unit may become eligible for weatherization if the LWA/SWC can certify that the dwelling:

1. Is not being or will not be rehabilitated through a federal, state, or locally funded program; and
2. Will be occupied by an eligible family unit within 180 days from the date of completion.

The LWA/SWC must verify that the unit is occupied by an eligible family unit within the 180 day time period. A customer file must be developed per guidelines.

### **SUBSECTION 10.F SINGLE AUDIT REQUIREMENTS**

Each local weatherization agency must perform a single audit of its organization on an annual basis. The audit must conform to the Single Audit Act governing the type of organization. The results of this audit must be submitted to DHCD within 12 months after the close of the fiscal year.

### **SUBSECTION 10.G PROGRAM OVERSIGHT AND MONITORING (DOE)**

As stated in the U.S. DOE Weatherization Program Notice (WPN) 12-5, Updated Weatherization Assistance Program Monitoring Guidance, the purpose of monitoring is to ensure timely use of funds and realization of expected benefits. It is also to provide transparency and accountability. Additionally it is to provide quality assurance and controls. All subgrantees must be in compliance with U.S. DOE rules and regulations as well as the DHCD Program Operations Manual (POM) and state and local laws.

The U.S. DOE performs comprehensive monitoring visits on DHCD, the Grantee, at least once per year. They review several aspects of the programmatic, fiscal and technical areas. Information obtained includes; the most recent state plan, grantee award, organizational charts, policies and procedures, inventory, contracts, procurement, price lists, energy audits, installations, inspections, insurance and client files. Guidance on monitoring is found in the WPN 12-5. Written reports are issued by U.S. DOE to DHCD within 30 days of the monitoring visit. If there are findings the relevant federal regulation is cited. DHCD then has 30 days to provide a written Corrective Action Plan.

DHCD is required to monitor all subgrantees at least once per year in accordance with 10 CFR Part 440. Prior to the monitoring visit the Onsite Monitoring Checklist is shared with the

subgrantee. The checklist is attached as Appendix E. It includes a list of materials to have available for the visit. The checklist is used to verify the various documents and materials reviewed during the visit. Both programmatic and fiscal documents and materials are reviewed. For additional DHCD fiscal information, refer to the Financial Management Manual. Written reports are issued to subgrantees within 30 days of the monitoring visit. The reports include the following categories; finding, concern, recommendation, commendation and best practice.

A finding can be a non-compliance with federal regulation or guidance, or a repeated or previously identified non-addressed correction or concern. Examples include misuse of funds, inadequate inventory control, inaccurate income eligibility determination, illegal procurement or insufficient insurance.

A concern is either a violation of guidance that is not a regulation, minor correction for the future or problems that may jeopardize the program. Examples include file omissions, failing to follow the state plan, policies and procedures or improper training of staff.

Recommendations are suggestions to assist with compliance, improve merits of the program or identification of opportunities for training and technical assistance (T&TA) or guidance. Improvement/Commendation is used if corrections have been made since the last monitoring visit. Best Practice is used to complement good work and potentially share with other network partners. If there are findings, the relevant federal regulation, weatherization program notice (WPN) guidance or the grantee's guidance document is cited. The subgrantee then has 30 days to provide a written Corrective Action Plan (CAP) to DHCD. Corrective actions may also be requested for any concerns identified. For subgrantees with findings additional monitoring visits may be scheduled. Files are maintained for all monitoring visits and are available for review by U.S. DOE.

DHCD maintains a tracking form listing the dates that each LWA was last monitored and whether or not there were any findings, concerns, recommendations, commendations or best practices. It also identified whether or not the status of the review remains open or has been closed. The Monitoring Follow-Up Tracking Checklist is kept on file and signed by the Senior Program Manager after any issues have been resolved.

The Quality Management Assurance (QMAs) technical visits that are also required are currently provided separate from the programmatic and fiscal reviews. The 2014 Maryland Weatherization Field Guides are required for all auditors, crews and inspectors. The monitoring activity process is described in the annual State Plan. DHCD also reports to U.S. DOE using the T&TA, Monitoring and Leveraging Report.

#### **SUBSECTION 10.H MINORITY BUSINESS ENTERPRISE (MBE) FOR SWCS**

SWCs are required to adhere to certain MBE subcontractor goals of an established percent of the total dollar amount of the contract. Subgoals may also be established for four categories; African American MBE Participation, Asian American MBE Participation, Hispanic American MBE Participation and Women-Owned MBE Participation.

Contractors and MBE subcontractors are required to submit monthly payment reports to DHCD Office of Fair Practices. Liquidated damages will apply in the event the contractor fails to comply in good faith with the requirements of the program.

A draft of a recent Request for Proposals (RPF) for SWCs provides guidance for contractors through several references to MBE requirements. MBE forms are provided in Attachments D of the RFP.

For details on the process see MBE Attachment D–1A MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule – Instructions.

## **SECTION 11 RECORD KEEPING AND RECORDING**

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### **SECTION 11.A CHANGES TO JOB WORK ORDER**

A Change Work Order is required when the crew/contractor identifies services that can or should be installed and the increase will exceed 10% of the original Work Order. This process is handled through Hancock.

### **SECTION 11.B DOCUMENTATION OF SERVICE DELIVERY**

The LWA/SWC must implement and maintain recordkeeping procedures that reflect effective and efficient program management and document all activities relating to delivery of weatherization services to eligible households. The LWA/SWC is also required to generate accurate reports regarding each weatherization project and the status of the program.

The LWA/SWC must develop and maintain an organized and usable filing system containing the information necessary to prepare all required reports. It is the responsibility of the LWA/SWC to ensure that all weatherization files are complete, accurate and accessible for review by DHCD and federal staff (if DOE WAP funds have been provided).

#### **Customer File**

The customer file must exist for each weatherization participant, per Section 5 and each project specification. If the LWA/SWC serves more than one political jurisdiction, the files should be arranged by county in either numeric or alphabetical order. A complete customer record must be maintained in accordance with the systems outlined in this manual and contain the following information:

- A. Application
- B. Application Integrity Form
- C. Release of Information
- D. Documentation of Income for all household members 18 years and older
- E. Proof of Ownership
- F. NEAT/HEAT Audit Results (when applicable)
- G. Job Work Order
- H. Special Order Forms
- I. Proxy Form (if applicable)
- J. Request for Additional Information (if applicable)
- K. Wage Verification Forms
- L. Declaration of Income
- M. Utility Usage client authorization form

- N. All signed Client consent forms required by project type (*Lead, Building Owners Agreement, Tenant Synopsis, Deferral, Quality Control Inspection form, etc.*) and noted specifically in this manual.
- O. All required measure back-up uploaded to Hancock (Manual J, Refrigerator metering, photos, etc.)

In addition, applications pending action by the customer or the LWA/SWC should be filed alphabetically by the customer's last name and should include the following:

- A. Application
- B. All Information Related to Customer Eligibility
- C. Request for Additional Information Form

Applicants denied for receipt of services should be filed alphabetically by the customer's last name and should contain the following:

- A. Application
- B. Documentation of Income
- C. Other Information Related to Customer Eligibility
- D. Denial Letter
- E. Request for Local Hearing (if applicable)

## **Report Files**

The Report File should contain copies of all reports that are submitted to DHCD. It is the responsibility of the LWA/SWC to ensure that reports submitted are accurate and provided in a timely fashion. This file should contain any pertinent documents relating to external or internal reporting that the local agency performs.

### **1. Insurance Files**

The local agency is required to maintain a file on all insurance coverage documents. The file should contain at least the following information:

- A. Type of insurance on buildings, contents, vehicles and equipment
- B. Agent or company providing coverage and telephone number
- C. Insurance carrier and how to contact for claims information
- D. Policy number and date of expiration
- E. A copy of all policies

### **1. Regulations Files**

DHCD's weatherization programs, including EmPOWER LIEEP and DOE WAP, are



governed by program regulations that define permitted activities. It is important that these regulations are maintained and accessible for easy reference. The file should contain at least the following:

- A. Program Operations Manual, transmittal letters, technical assistance letters and other directive or guidance documents relating to DHCD's weatherization programs
- B. Department of Energy Federal Regulations (*10 CFR 440, 10 CFR 600, OMB circulars*) and amendments
- C. Code of Maryland Regulations (COMAR)
- D. DOE WAP State Plan
- E. EmPOWER LIEEP Transition Plan
- F. Local agency Management Plan for current year

### **3. Procurement and Vendor Files**

The LWA/SWC should maintain on-going relations with various equipment and material vendors.

The **Vendor File** should contain at least the following:

- A. List of insulation vendors
- B. List of storm windows and doors vendors
- C. List of general infiltration material vendors
- D. List of subcontractors for service delivery
- E. Correspondence and other documentation of contact with various vendors

The **Procurement File** should contain at least the following:

- A. Advertisements for bids or copies of advertisements released in the newspaper
- B. Bids received as a result of those newspaper advertisements, along with specifications
- C. Bids received as result of verbal or telephone solicitations, along with specifications
- D. Minutes of the meetings when the sealed bids were opened (the local agency must document everything as specific as possible)
- E. Letters of specifications received from vendors
- F. Contracts signed with vendors. Contracts must indicate the specifications of the materials. Delivery assurance from the vendor must be provided.
- G. Unsuccessful bids or bids rejected

H. Correspondence sent to and received from vendors

**SECTION 11.C USE OF LOGS**

**1. Application Log**

An Application Log can be used to record referrals and applications taken on-site. Applications are received, each is logged in chronological order by the date of receipt. At a minimum, the log should contain:

- A. Document Control Number
- B. Name of Applicant
- C. Date of Application

It is recommended that the LWA/SWC use a tracking system to maintain a continuous status of each application for weatherization services. The use of "logs" can be useful in documenting activity for each case. The following are samples of logs used successfully in the past. While some logs are optional, those involving appeals and hearings are required.

**2. Certification Log**

A Certification Log will track applications through the system. The log should contain all information recorded as part of the Application Log (#1) and the following:

- A. Application Certification Number
- B. Date Certified

### 3. Denial Log

A Denial Log **must** be maintained to record those applicants who are denied weatherization services. The information on the log should be recorded chronologically by date certified ineligible. Additional information required for this log is as follows:

- A. Document Control Number
- B. Applicant Name
- C. Reason for Denial (code)

### 4. Estimation Log

An Estimation Log will track the progress of service delivery to customers who are certified to receive WP services. The log should be maintained chronologically by month and include the following information:

- A. Client Name
- B. Date of Certification
- C. Dates of Contact and Scheduling
- D. Date of Estimation

### 5. Complaint Log

A Complaint Log should be maintained to track the nature of customers concerns and the follow-up actions by program staff. The information should be logged chronologically as it is received and should include:

- A. Complainant's Name
- B. Document Control Number (if applicable)
- C. Nature of the Complaint
- D. Follow-up Action by Staff

### 6. DOE / LWA - Hearing Log

DOE / LWA - A Hearing Log **must** be maintained to record the requests of customers' for a hearing at either the State or local level. This log should include the following information:

- A. Applicant Name
- B. Document Control Number (if applicable)

- C. Nature of Hearing Request
- D. Date of Scheduled Hearing
- E. Results of Hearing

Please note that all information previously recorded on this document has been integrated into the DHCD's Hancock software system for efficiency of tracking and analysis.

## **SECTION 12 FISCAL MANAGEMENT**

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DHCD receives annual, federal grants through the Department of Energy to implement the Weatherization Assistance Program (WAP). These funds are made available to subgrantees through subgrants issued by the Maryland Department of Housing and Community Development. The subgrantees provide direct program services to income eligible households. The subgrants are awarded as frequently as each year to eligible non-profits and/or local governments.

Subgrantees must have the capacity to financially manage all grant funds. This includes the ability to fully track the receipt and disbursement of all grant funds, and the ability to implement and maintain standard, accurate, financial management practices that meet the definition of Generally Accepted Accounting Practices (GAAP).

### **SECTION 12.A WEATHERIZATION ASSISTANCE AGREEMENT**

Grant funds are made available to the subgrantee through a grant agreement (binding agreement). Execution of the agreement signifies a commitment on the part of the subgrantee to ensure that all program requirements are properly implemented (including but not limited to the Agreement, DOE Terms and Conditions, State Regulations, Program Operations Manual (POM), and the Field Guide). The agreement may only be executed by an authorized representative of the subgrantee organization. The grant agreement specifies the terms and conditions such as but not limited to:

- The total amount of funds available;
- The length or term of the agreement;
- The services to be rendered; and
- The name and title of any supporting documents or manuals which are incorporated and included into the agreement document by reference.

Grant agreements are typically for one year, where all funds should be expended within the grant period, however under extraordinary conditions may be amended to extend the period of performance. An increase, decrease, re-allocation of funding, or designation of new jurisdictions can be done by written notification via letter to the subgrantee.

Each subgrantee is responsible for limiting expenses to the amounts allowed in the budget line items. In no instance will a subgrantee be permitted to exceed the total award for a funding period.

A budget modification may be completed for those subgrantees who exceed projected unit goals. Allocations and activity are reviewed by DHCD and upon funding availability, subgrantee Hancock budgets are updated with the new amount. DHCD will notify the subgrantee in writing when the process is complete and additional funds are available for use.

Subgrantees who exhibit a lack of capacity or any failure to perform in accordance with the agreement as specified may be subject to contract termination and/or become ineligible for contract renewal.

#### **SECTION 12.B AVAILABLE FUNDS**

The Weatherization Assistance Program is a federal, formula based annual grant program. The amount of funds available for each subgrantee is determined by a formula that represents a portion of the total amount of funding available to the State of Maryland. Funding may be increased or decreased in response to changes in census data (data that indicates population increase/decrease, and/or poverty population increase/decrease) or changes in climate data within each Maryland locality.

#### **SECTION 12.C ALLOCATIONS**

Housing and Building Energy Program funds are generally allocated based on customer need and agency performance. However each grant may have specific requirements for fund distribution. Unless, otherwise described, allocations are considered using but not limited to the following criteria:

- Current level of expenditures for all active weatherization related programs
- Timely and accurate submission of invoices
- Depth of existing referral list
- Timely and accurate submission of past reports and closeouts
- Financial and program management capacity
- Experience and capacity to serve an area

DHCD will monitor subgrantee production and expenditure rates throughout each funding cycle and may reallocate funds as necessary in an attempt to ensure proper utilization of funds during the grant period.

#### **SECTION 12.D BUDGET PROPOSALS**

Subgrantees must prepare and submit a detailed budget for planned expenditures based on initial allocations to DHCD prior to the beginning of the program year. Projected allocations and requests for budget proposals will be emailed to each agency 45 days prior to the beginning of the program year which starts July 1.

The budget proposal is used to assist the agency in planning production and budget targets for the grant period. This estimate must include, but is not limited to, any planned expenditures for the following:

- Personnel wages, salaries, and fringe benefits;
- Purchase and/or maintenance tools, vehicles, and equipment;
- Weatherization materials (purchased);
- Building rents (*includes office and/or warehouse—note: real property acquisitions are purchases and are not rentals*); and
- General administrative costs

Similar to the grant agreement, DHCD requires that the budget proposal bear the original signature of the authorized representative of the subgrantee in hard copy form.

## **SECTION 13 FINANCIAL MANAGEMENT SYSTEM**

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Subgrantees must have and maintain an accurate and effective financial management system that can consistently safeguard the receipt and disbursement of weatherization funds. A WAP financial management system must include the following components or their equivalents:

- Budget
- Accounting
- Internal Control
- Cost Allocation Plan
- Property Management
- Procurement Policy
- Audit Schedules
- Recordkeeping
- Reporting

### **BUDGET**

The WAP is a cost reimbursement program. Subgrantees may expend funds and receive reimbursement in pre-determined cost categories or “budget” categories for allowable expenditures. Recipients using DOE funds must limit spending for allowable program budget activities. The program budget categories are:

- Program Operations/Program Support
- Administrative
- Training and Technical Assistance
- Health & Safety

### **PROGRAM OPERATIONS**

This budget category provides reimbursement of costs directly associated with installation of weatherization measures, including direct labor and weatherization materials.

Direct costs incurred to support weatherization measures but not readily identifiable to specific jobs would include items such as tools, equipment, warehouse space, and utility costs for warehouse space. Staff count all or a portion of their time as Program Support. These positions typically include program manager, assistants, clerical, energy auditors, outreach staff and other staff providing program support. These hours/staff are not directly involved in installation of materials. Positions that typically may count time in both program support and direct (measure) labor (operations) are field supervisors, inventory/materials handlers and staff that spend time in



the field coordinating subcontractor activities; time spent in the office coordinating such activities is considered Program Support and is reimbursable through the Program Operations category.

#### **ADMINISTRATIVE**

Reimbursement for administrative expenditures may not exceed: five percent (5%) of the total contract amount for a subgrantee who receives more than \$350,000 in funding, and ten percent (10%) for subgrantees who receive less than \$350,000 in funding. Administrative charges may only be levied against new funds, not carryover funds. Administrative costs are all expenses related to program management including, salaries, wages, and fringe benefits for program administration; financial management; clerical/office staff; building rents; utility and telephone costs; office equipment and supplies.

#### **TRAINING AND TECHNICAL ASSISTANCE (T/TA)**

Reimbursement is available for costs to train weatherization staff to acquire, develop, or enhance the skills necessary to administer the program. Staff includes agency administrators who are responsible for the program administration, program coordinators, financial staff, estimators, inspectors, crew leaders, and crew workers. All training must be pre-approved in writing by DHCD in order to be eligible for reimbursement. T/TA funds are provided to:

- Maintain and/or increase the efficiency, quality and effectiveness of weatherization assistance at all levels.
- Maximize energy savings, minimize production costs, and improve management.
- Improve crew/contractor work quality.
- Reduce the potential for waste, fraud, and/or mismanagement.

#### **MILEAGE, LODGING AND/OR PER DIEM**

Any claims requesting mileage, lodging and/or per diems will be reimbursed at the current rate paid by the State and in accordance with State Travel Policies and Procedures as specified in the travel regulations that can be found online at <http://dbm.maryland.gov/pages/travelmanagementservices.aspx> Rates change periodically for mileage and hotel as federal rates change. Check the State website for updated rates. Invoices will be rejected if this policy is not followed.

#### **INSURANCE**

Reimbursement is available for costs related to liability, vehicle, and Pollution Occurrence Insurance (POI). DOE strongly recommends POI (also known as a POI Rider) as part of, or as an addendum to, general liability insurance. POI will cover problems with Lead Safe

Weatherization or disturbance of other environmental pollutants. This is an optional expense eligible for reimbursement. Vehicle insurance can be charged to Program Operations.

Subgrantees are required to maintain liability insurance. Insurance limits are outlined in each grant agreement. Subgrantees must ensure that they maintain other insurance as required by law (OSHA, etc.). The cost of all insurance is reimbursable and is an allowable program expense. Subcontractors hired to perform weatherization services must either maintain their own insurance or be covered by the subgrantees insurance (this a tremendous liability concern and is not recommended). Projects completed by subcontractors remain the responsibility of the subgrantee. If a subcontractor provides substandard, incomplete, or improper service the subgrantee is responsible. If a subcontractor causes damage, the subgrantee may share liability if the subcontractor is not properly insured.

#### **FINANCIAL AUDITS**

Reimbursement is available for the cost of an annual financial audit in proportion to the weatherization funding relative to all other subgrantee funding sources.

#### **HEALTH & SAFETY**

Reimbursement through DOE is available for costs incurred to correct hazardous conditions that must be done before a weatherization measure is completed, because it would threaten the health and safety of the occupants of the home or weatherization installer. Health and Safety funds are based on the Average Cost per Unit (ACPU) and are not incidental repair funds.

Guidelines and procedures associated with the use of funds in the Health & Safety budget category are discussed further in Section 8.

#### **ACCOUNTING**

Subgrantees must have a financial system that associates WAP revenues with WAP expenditures. A “program fund” is an independent accounting record that has separate asset, liability, revenue, expenditure, and a fund balance account for each grant or contract.

All ledgers must be maintained in a manner which will facilitate the preparation of internal and external reports. A WAP financial management system must include the following components or their equivalents:

<b>A. Chart of Accounts</b>	a code system to identify all weatherization receipts and disbursements.
<b>B. Books of Account</b>	where all purchasing and payment information is recorded
<b>C. Fixed Asset Ledger</b>	the record of all assets that are necessary for the business to exist and are non-tradable
<b>D. Administrative Policy</b>	the written policy and process for running the business

<b>and Procedures</b>	
<b>E. Procurement Policy</b>	the standardized system for obtaining materials or services from an outside source
<b>F. Source Documents</b>	contracts, purchase orders/requisitions, invoices, bank statements, cash receipts, deposit receipts, payroll records, time sheets, payment vouchers, cancelled checks, receiving reports, deposit receipts, leverage income or expense documentation, etc.

## **BUDGET CONTROLS**

Provisions must be in place for the classification and presentation of the estimated and actual costs of a weatherization project.

- Procedures for determining the allowance of costs in accordance with the material provisions of *10 CFR 440* and financial provisions of *2 CFR Part 200*.
- Provisions to account for and document the source or expenditure of weatherization funds and any other program resources (Source Documentation)
- Provisions to provide for complete, accurate and up-to-date financial information regarding weatherization projects and expenditures. (This allows the subgrantee to meet the reporting requirements of the WAP)

Provisions must be in place for the classification and presentation of actual costs of a weatherization job. Actual job costs must be documented and retained for financial reviews during compliance monitoring visits. Controls for cash flow and resource expenditures must be in place to ensure service delivery prior to reimbursement. Grant money disbursements are sent as reimbursement to the providing agencies after the work is complete. Subgrantees must budget their resources and cash accordingly.

## **INTERNAL CONTROLS**

Subgrantees must ensure separation of responsibilities such that the responsibilities related to the receipt and disbursement of funds resides with separate individuals. The separation of these duties helps to safeguard the agencies' assets, promotes operational efficiency, and adheres to customary management policies and procedures.

The basic elements of an adequate internal financial control system will include, but are not limited to, a separation of accounting functions. These functions are:

- Receipt and posting of funds;
- Request or requisition of funds;
- Authorization or approval for disbursement or expenditure;
- Disbursement of funds.

## **COST ALLOCATION**

The requirement to develop and maintain an updated written Cost Allocation Plan is based on 10 CFR 600, OMB A-122 and OMB A-87. The designated representative or Board of Directors of the organization must approve the cost allocation plan annually.

Costs incurred in connection with programs are eligible charges against grant agreements, whether incurred by the program itself or another program that provided supportive services, as long as the costs are necessary for the efficient performance of the program.

The cost principles are the federal regulations which must be followed to insure that federally assisted programs incur costs in a manner that enables each program to pay its *fair share* of costs recognized under these principles, except where restricted by law. Depending on the specific requirements of each funding source, costs can be shared within the same funding source as well as between funding sources.

Salaries, office rent and travel expenses are some of the costs that may be allocable to multiple functions. Organizations are required to develop techniques that will provide measurable bases upon which costs may be linked to services and/or activities. All costs allocated by the plan should be reasonable and must be supported by formal accounting records that substantiate their propriety. The cost allocation plan links the accounting records and the reported expenses of the recipient organization.

## **ALLOCATION OF COSTS**

Some of the methods of allocating costs(i.e., total direct costs, direct salaries, person hours, square feet, hour usage, documents processed, number of clients served, etc.) are:

- Identify each of the shared costs that should be allocated.
- Identify each of the shared costs that will be included as part of the indirect cost pool, if applicable.
- Determine the method by which costs will be allocated so that each program is paying for its proportionate share of the benefits derived from the costs.

The cost allocation plan should contain, but not necessarily be limited to, the following:

- The nature and extent of the activities provided and their relevance to the agreement supported services.

- A list of the expense items to be charged to the agreement.
- The methods to be used in distributing the costs.
- Identify the type and cost of each service to be allocated within the plan.
- Determine the method (unit) for allocating the costs of each service to user programs.
- Allocate costs mathematically to user programs (i.e., calculate proportionate shares of costs).

## **PROPERTY MANAGEMENT**

Federal regulations govern the acquisition, use, and disposition of property with federal grant program funds. Subgrantees must be aware of and manage two types of property:

- Real property, where ownership is conveyed by a deed, (as in real estate); and
- Personal property (all property that is not real property)

**Note:** *The purchase of real property is not a grant eligible expense item.*

Personal property may be further divided into two sub-categories:

- Expendable personal property; and
- Unexpendable personal property.

Personal property is all property that is not real property. It may include office furniture, supplies, uninstalled materials, and intellectual properties. Unexpendable personal property includes, but is not limited to, equipment, vehicles, machinery, and tools.

## **ACQUISITION, USE, AND DISPOSAL OF UNEXPENDABLE PERSONAL PROPERTY**

*Acquisition: Subgrantees must get permission in writing from DHCD prior to any purchase over \$5,000.00 using DOE funds. Purchases over \$5,000 must be included in the subgrantees initial budget submission prior to program award.*

Subgrantees must acquire property according to their agency procurement policy while also adhering to State and Federal requirements. The more stringent of policies applies.

Vehicles must list DHCD as the lienholder if the property:

- *Has a value over \$5,000*
- *Is unique or difficult and costly to replace; and*
- *Is financed solely or in part with grant funds.*

All property purchased through DHCD funding must list DHCD as the lienholder and remains the property of DHCD until such time as DHCD obtains approval from DOE and releases its ownership rights. The vehicle titles will be held by DHCD.

***Use:*** Subgrantees may use property acquired with federal grant funds as long as there is a need for the property to accomplish the program goals, whether or not the program continues to be supported by federal funds. When the subgrantee no longer needs the property in any of its grant supported activities, the property may be subject to disposal.

***Disposal:*** *Subgrantees must get permission in writing from DHCD prior to disposing of any property purchased with DOE funds.*

Subgrantees may use the property for its own official activities without reimbursement to the grantee or to the federal government if it has a fair market value of less than \$5,000. If the subgrantee has no need for the property, and the property has a fair market value of less than \$5,000, the property may be sold and the entire proceeds may be retained by the subgrantee.

## SECTION 14 ACQUISITION USE AND DISPOSAL OF PROPERTY

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### SUBSECTION 14.A Vehicle and Equipment Purchase

Vehicles and equipment may be bought using WAP funding. Prior to the purchase of any vehicle or equipment over \$5,000.00 subgrantee agencies must receive written authorization of DOE through DHCD for purchases funded with DOE funds.

***Note:** Agencies must plan ahead and evaluate the need for vehicle purchases well in advance so that purchases are not delayed. Purchases over \$5,000 must be included in the subgrantees initial budget submission at the time of program award.*

To facilitate the process, please follow these steps:

Submit the Vehicle and Equipment request for authorization for approval for the purchase of vehicles and equipment in excess of \$5,000 with the following information included:

- Name of requesting Agency
- Where the vehicle will be used – Specify, full or part time use in Weatherization program
- A statement of whether this is a replacement or an expansion vehicle. If this is a replacement, how is the trade-in being addressed?
- Brief description of how the procurement was done, and confirmation that State and Federal procurement guidelines will be met
- What the funding source will be
- Copies of bid specs (vehicle description with options requested) and all bids received
- A minimum of three bids must be submitted
- Statement that lowest bid will be selected, or justification if lowest bid not selected

*This information can be submitted via e-mail, fax, or mailed letter, but must be submitted in writing to the HBEP Manager of Business Performance at DHCD. Furthermore, approval of purchases for vehicles and equipment in excess of \$5,000 must be obtained prior to the purchase.*

Upon receipt of this request, DHCD will submit a request to DOE to receive approval for the purchase. T&TA funds may not be used to purchase vehicles or equipment. The cost of vehicles or equipment to support the program may be charged to the Program Operations category. The approval of the request is with the understanding that State and Federal procurement guidelines are adhered to and met. The approval is valid for 90 days from the date of the approval letter.

You must send proof of purchase documents within 45 days of the purchase. If the purchase is not made you must notify DHCD in writing. *Note: DHCD must be listed as the lien holder for all vehicles.*

An adequate inventory labeling and management system must be in place for all vehicles and equipment whose purchase price is greater than or equal to \$5,000. Please forward the original title to DHCD, and retain a Maryland Vehicle Administration copy for your records. All vehicles and equipment must be documented and listed on a fixed asset ledger.

Vehicles and equipment must be maintained to ensure operating efficiency and to preserve the life expectancy. Proper care for a vehicle requires that service(s) and/or repairs done to that vehicle be appropriately documented and will be reviewed during program monitoring.

All subgrantees must maintain comprehensive insurance on all vehicles. Additionally, vehicle operators must be licensed within the State of Maryland, and must be operated in a safe, legal, and proper fashion. If a program vehicle is involved in an accident, copies of the accident report and all insurance filings must be maintained in the program administrative files.

When purchased, vehicles are for the explicit use of weatherization program staff to conduct weatherization related travel. This travel includes, but is not limited to, client intake visits, project estimation and inspection, and meeting and conference attendance. *Weatherization vehicles are not intended for generalized office use, and may not be parked at the home of any agency personnel over night for more than one night. Daily commuting is not allowed.*

#### **SUBSECTION 14.B VEHICLE AND EQUIPMENT DISPOSAL**

Vehicles or equipment purchased with DOE funds which have no more useful life may be sold or discarded (junked). DOE and DHCD requires that vehicles and equipment must be offered to the weatherization network before it is sold or discarded otherwise. Written permission must be received from DOE prior to the offer. Items may be sold on the open market to any purchaser only after all subgrantees have had an opportunity to make an offer to purchase and have declined. To receive written, permission, subgrantees must send the Vehicle and Equipment Disposal form and a letter to DHCD with all appropriate vehicle information and request a vehicle transaction. DHCD will secure the necessary written permission from DOE. Subgrantees will then receive a follow-up notice that the transfer, disposal, etc., has been authorized.

Funds received from the sale of a vehicle or equipment must be used to complete the replacement purchase of other vehicles or equipment or for other program support related activities. Subgrantees may not depreciate the value of the vehicles for the business benefit of



their agencies. A vehicle ownership may be transferred between subgrantees if permission for this transfer is obtained from DHCD. If the vehicle changes hands, the vehicle's new owner operator is responsible for updating the registration. When a vehicle is subjected to a location change for any reason, proper licensing and insurance maintenance require that its registration be changed accordingly.

DHCD will maintain a general inventory list of grant funded vehicles in use by subgrantees. Equipment and inventory ledgers will be reviewed during monitoring visits. The list of vehicles will be updated on a regular basis. Subgrantees are advised to take pictures of the vehicle for their insurance purposes. These pictures should be updated regularly. They provide documentation of visual condition and can be used as part of explaining any physical changes that may occur to the vehicle.

#### **SUBSECTION 14.C EQUIPMENT, TOOLS, AND VEHICLES INVENTORY**

Small tools and all materials must be listed on an inventory record. Subgrantees are required to maintain a record or inventory of all equipment and tools in excess of \$500.00 and vehicles purchased with grant funds. Submit this inventory to the Compliance Officer at HBEP on the inventory form during each compliance monitoring visit. Records are required for all vehicles, and special notations are required for any equipment that is amortized or receiving debt service from grant funds. These records contain the basic information about items purchased and include:

- Item name, description and condition (e.g. new, fair, poor).
- Mileage Log
- Storage location and address.
- The manufacturer's serial number, model number, federal stock number, national stock number, or other identifying number.
- Purchase fund source and type.
- Vehicle title holder.
- When acquired and purchase cost.
- Cost allocation/percentage of federal participation in the cost of equipment
- Disposal status – date and manner of disposal including sales price or the method used to determine current fair market value where a recipient compensates the federal awarding agency for its share

All items that cost over \$5,000.00 must have the approval documentation from DHCD.

#### **SUBSECTION 14.D INVENTORY AND WAREHOUSING**

Subgrantees are encouraged to purchase materials in bulk quantities to capture significant savings if the subgrantee has the financial capability to do so. Materials must be stored properly in a secure environment. Materials must be purchased with an agency operating account that is then expensed to the WAP. Once those materials have been installed, all paperwork received, and a final inspection completed on the unit, the agency can invoice those expenses for reimbursement.

Subgrantees must have a reconciliation process to account for the purchase and usage of warehoused items. A system must be in place that allows materials used to be billed & tracked back to the individual jobs. This will be reviewed during the monitoring visit.

A replacement schedule for materials usage should be established. DHCD recommends the adoption of a FIFO approach to cost allocation. In that supplies that are purchased first should be used first and expensed at the cost of that purchase before subsequent supplies are purchased at potentially higher (or lower) cost per unit. A schedule for this purpose is designed by “checking in” materials as they are received and “checking out” materials as they are loaded on the trucks and used. Materials that are not used and returned from a specific job must be noted in the inventory ledger. In effect, a balance sheet is created to be used in figuring the actual amount of materials on hand. This balance sheet can be used as a tool for judging future materials usage and thereby increase efficiency in the provider’s procurement process and job scheduling. It will provide data necessary to better and more accurately estimate costs for jobs.

#### **SUBSECTION 14.E PROCUREMENT**

Subgrantees must follow fair and open competition procedures for the purchase of goods and services with federal funds in accordance with all applicable federal and state procurement laws and regulations. Fair and open purchase procedures require advertisements be placed in local papers when goods and services are to be procured, or that documented telephone or written price quotes are obtained before a purchase is completed. One annual advertisement about the intent to purchase materials or procure services can suffice for adequate notice. Additional notice may be required if procurement occurs outside the scope of any completed advertisement. Federal regulations related to procurement are found in *2 CFR Part 200*.

Subgrantees must have a local procurement policy that establishes the benchmark for small purchases and competitive bidding. Other procurement guidelines are as follows:

- When appropriate, an analysis should be made of lease and purchase alternatives to determine which would be the most economical and practical.

- Procedures must be in place to ensure that duplicated materials or services are not purchased or contracted.
- Maintain records (accounting and accountability documentation) that detail the significant history of procurement.
- The bid process must be open and available to all qualified bidders.
- There must be a clear and accurate description of the goods, materials, or services required (with technical information available if requested).
- Formal Advertising required when Sealed Bids required.
- Grantees and subgrantees are encouraged to use federal excess and surplus property whenever possible.
- Grantees and subgrantees are required to give preference to minority firms, women's business enterprises, and labor surplus firms.
- Protest procedures

**Note:** Subgrantees are not prohibited from combining all or part of their procurement process in order to take advantage of price breaks given for bulk purchases or to reduce costs in the process. However, if this is done, a contract or procurement agreement must clearly specify "which agency" receives "what benefit" from the procurement, and the agreement must specify the cost each individual agency must pay. If either provider defaults in this process it would financially damage both agencies.

*This information can be submitted via e-mail, fax, or mailed letter, but must be submitted in writing to the HBEP Manager of Business Performance at DHCD. Furthermore, DHCD approval of purchases for vehicles and equipment in excess of \$5,000 must be obtained prior to the purchase*

Procurement records for large purchases (or subcontracting services) must be kept and contain the following information:

- Detailed description of goods and services
- Solicitation Document
- Documentation of Advertisement
- Attendees and Minutes of Bidders Conference
- Bids/Proposals/Quotations Received
- Minimum Standards/Requirements
- Documentation of Satisfied Requirements
- Evaluation Panel Members
- Evaluation Work Papers

- Notice to Successful Vendor(s)/Contractor(s)
- Why and how the specific contractor was selected
- The basis for the cost of the materials or services procured
- Disclaimer/Waiver provisions
- Appeals Process

Procuring agencies must have a legal and binding contract with the supplier. This contract must have administrative, contractual, or legal remedies in case of any breach by the supplier. This contract must contain suitable terms for the termination of the contract and basis for settlement in recourse if needed.

## SECTION 15 INVOICING AND REPORTING DATABASE

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### SECTION 15.A HANCOCK ENERGY SOFTWARE

Hancock Energy Software (HES) is a web solution that supports DHCD's ongoing Energy Programs aimed at increasing the energy efficiency of low-income households. The objective of this tool is to provide a means to manage, track, and report on the weatherization process of eligible households from determining initial eligibility to submitting invoices for reimbursement.

HES is DHCD's online invoicing system. All invoices for weatherization funding sources (EMPOWER LIEEP, DOE WAP, LIHEAP/MEAP, SEIF/RGGI, FERC, etc.) must be entered and submitted online for reimbursement.

Once grant agreements/contracts are fully executed, DHCD will upload awards in HES by agency, by funding source, by county.

Each funding source contains individual budget categories. These budget categories allow DHCD to track spending and assist in fulfilling reporting requirements. DHCD will load a funding source and assign all funds to the "program operations" budget category. It is the responsibility of the subgrantee to move money to the appropriate budget categories using the "adjust budget" feature in Hancock.

An effective way to monitor spending is using the "budget balance" section of Hancock. This portion of the software will allow the subgrantee to see the funding source and budget category allocation along with the remaining balance. **Please note, Hancock is not an official budget tracking tool, the software should be part of a subgrantee's overall financial management system. Hancock provides an opportunity to track spending and invoices.** The use of Hancock does not take the place of ledgers or charts of accounts. As outlined in each subgrantee agreement, DHCD has the ability to increase or decrease a subgrantee's allocation at its discretion. If an allocation adjustment is required, the subgrantee will be notified in writing for each occurrence.

Subgrantees can use the "invoice list" in Hancock to track all open, submitted, and paid invoices. The following is a description of each stage on the invoice list:

<b>Open Invoices:</b>	In the process of being built.
<b>Submitted Invoices:</b>	Completed invoices that have been submitted for approval. Hancock will track the date in which the invoice was submitted.
<b>Paid Invoices:</b>	Have been approved for payment by DHCD.

In addition to submitting and tracking invoices, subgrantees will be able to generate reports detailing invoice and job production activity.

The “paid invoice report” details paid jobs that have been approved by DHCD and categorized by funding source. This report will not detail manually created invoices.

Each subgrantee must have at least one person authorized to use the HES. Additional staff may request access by contacting DHCD. When approved, an email will be sent from DHCD. Contact DHCD if you forget your password or have problems with the system.

The Hancock user manual is included in the appendix of the Program Operations Manual. The Hancock manual provides step by step instructions on how to use the software to submit invoices and run reports. Additional training is provided by DHCD.

### **Invoicing**

The following will be reviewed prior to the payment of an invoice:

- Heating source will be verified and must be shown on the “Client Information” screen.
- The Energy Usage Consent form must be uploaded to “WAP Documents” and must include the homeowner’s utility company, account number, and signature.
- The Quality Control Inspection form must be signed by the homeowner and uploaded to “WAP Documents.”
- The Homeownership Affidavit must include the property address and homeowner’s signature to certify that they are the owners of the property.
- If the property is a rental, the Permission to Enter and Landlord Consent/Building Owner Agreement must also be uploaded to “WAP Documents.”
- Upload the Lead Renovate Right form, which is required for any home built before 1979. If LRR form is not uploaded, enter the year the home was built in the “House Information” in the “Audit Information” section of HES.
- A complete Manual J load calculation (if applicable).
- Full combustion testing is required on all fossil fuel (natural gas, propane, oil) combustion appliances. Appliances to be tested are furnaces and water heaters, where applicable. The minimum data that is to be included for each appliance is: stack temperature, draft, O<sub>2</sub>, CO<sub>2</sub>, combustion efficiency and CO levels. The results are to be detailed in the “Combustion Test” section of “Weatherization” in HES. If there is a reason that combustion testing cannot be done (B-vent appliances, sealed combustion appliances where the exhaust port is inaccessible, etc.), the reason for the lack of testing

must be specified in the comments section of HES.

- SIR results will be checked on each job.
- Every job must have clear photos of the following:
  1. *Exterior elevations of each exterior wall*
  2. *Attic and attic access*
  3. *Basement and/or crawl space*
  4. *Heating source – furnace-boiler-heat pump-baseboard*
  5. *Duct system*
  6. *Hot water tank or hot water system*
  7. *Refrigerator*
  8. *Descriptive pictures of Health and Safety measures*
  9. *All miscellaneous or general repair measures*
  10. *Any other pictures that will provide back-up for any cost overrun*

Each individual measure will be checked for appropriateness and cost. An inspector will review any job cost estimated to be over \$4500 and/or which includes an appliance or HVAC replacement. Job and measure SIR requirements must be met.

All items listed above must be included with invoice submission or invoices will be released and the subgrantee will be required to correct any issues before processing is completed. In some instances (when an invoice contains 3 or more jobs), a job may be released from the invoice (rather than the entire invoice being released) so that the remainder of the invoice may be paid. This process can be lengthy and time-consuming. If it is determined that the same jobs are repeatedly being released, for the same reasons, DHCD may release the entire invoice until the job has been correctly submitted. Prior to the re-submission of an invoice, check the “comments” section in the “client information” screen, as this section will contain pertinent information on any job which has previously been released. The issues should be fully resolved prior to re-submission of the invoice.

Once the full invoice package is submitted, DHCD invoicing staff will verify and review to ensure all requirements have been met. When the invoice review process has been completed, the invoice is marked “paid” in Hancock. The status of “paid” only means that your invoice has met all requirements and has been approved for payment.

Each invoice that is marked paid must be printed to include back-up documentation and manually processed by DHCD invoicing staff. The invoices are then submitted to DHCD Finance for budget coding and verification. Once that process is complete invoices are submitted to the Maryland Comptroller’s Office to render payment.

Up to date payment information can be obtained from the Maryland Comptroller's website, <http://www.comp.state.md.us/>. The State of Maryland's processing time for invoices is 30 days. If you have not received payment or have questions about the payment, use the "One Stop Vendor Payment Inquiry" to check the status of your payment. Once registered, only a Taxpayer Identification Number (TIN) is required, then select "unpaid." If additional information needed, please contact your designated DHCD Financial Officer.

Your Financial Officer can track the status of the invoice before it is submitted to the Comptroller's Office. When contacting DHCD for an invoice payment status, please send a detailed email that lists the following:

- "Paid" date in Hancock
- First and Last Name of Customer
- Job Number
- Invoice Number

Please allow for the State's processing time of 30 days and limit your status requests to invoices that are 60 days or older.



## **SECTION 16 RESPONSIBLE CONTRACTORS**

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All subgrantees who award subcontracts must annually review their contractors against the federal contractor disbarment list accessed at <https://www.epls.gov/>. If a contractor is listed on the Excluded Parties List System website, subgrantees should not enter into a contract for goods or services paid with DOE funds. Search results should be printed and placed in each contractor file. This will be reviewed during the annual monitoring visit.

### **SECTION 16.A ADMINISTRATION OF FUNDS**

Funding shall be provided to subgrantees as a reimbursement for allowable expenditures incurred for the WAP, in accordance with the fiscal policies and procedures of the State of Maryland. Subgrantees must maintain and implement written policies and procedures to minimize the time elapsing between the transfer of funds to the subgrantee and the subgrantee's issuance of payment to subcontractors for program purposes. Subgrantees will have a total of forty-five (45) days from the receipt of subcontractor invoice, to check issuance, to the funds being withdrawn from subgrantee's account for DOE funded grants.

### **SECTION 16.B FOR PROFIT ACTIVITIES/PROGRAM INCOME**

Agencies may opt to generate income beyond grants and donations by providing weatherization on a fee for service basis. "For Profit Activities" are agency actions to provide weatherization services for other organizational programs, organizations, or home owners that are not income eligible for this program. For Profit Activities generate "program income" for subgrantees. It is required that income earned from activities supported by a grant or subgrant must be reported as program income. Sources of income to be reported include but are not limited to:

- Income from payments of principal and interest
- Income from fees or services provided (including rental of WX equipment and vehicles and staff wages and applicable charges)
- Income from the use of rental or real property acquired with grant funds
- Income from the sale of commodities or items fabricated under a grant agreement (i.e. vehicle).

Property owner (i.e. landlord) contributions are NOT considered program income in the Department of Energy's (DOE) Weatherization Assistance Program (WAP).

A subgrantee may use equipment acquired through the grant process as allowed by 2 *CFR Part*

200. There are specific restrictions for this usage. These restrictions are:

- Use of this equipment may not detract from or hinder in any way the delivery of grant funded weatherization services.
- All funds generated by these activities must be designated as program income and will be used for non-profit weatherization services within twelve months of when program income was earned. (When possible program income should be spent in the year it was earned. If it is late in the program year, it can be used in the next program year.)
- All equipment use and maintenance records must be documented separately from grant funded weatherization.

#### **SECTION 16.C AUDITS**

All subgrantees must complete an independent annual audit as applicable. Audit requirements are set forth in *2 CFR Part 200 Subpart F*. Audits are to be submitted to the attention of the HBEP Manager of Business Performance and are due within 9 months after the end of a subgrantee's fiscal year.

## SECTION 17 FINANCIAL MONITORING

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DHCD will perform real-time program monitoring for each weatherization subgrantee at least once a year. The financial monitoring includes a review of program administration, procurement, database input, fiscal management and information, and client file review . During a fiscal field visit, monitoring staff may perform the following reviews:

1. Verifying reported expenditures by comparing periodic expenditure reports to subgrantee books and records.
2. Reviewing the reporting and documentation of Program Income and leveraged funds.
3. Reviewing owner investment account and trial balances.
4. Reviewing source documentation for purchases of any items charged against the WAP.
5. Reviewing distribution of costs charged to more than one program.
6. Matching payroll costs for consistency with the latest approved budgets.
7. Reviewing records to trace material purchases from invoices to inventory or to specified jobs and to programmatic reports.
8. Reviewing bid procedures and records.
9. Reviewing subcontract agreements, analyzing payment schedules to subcontractors, and verifying payments made to subcontractors.
10. Reviewing cash balances.
11. Reviewing the subgrantee's internal control structure.
12. Reviewing the subgrantee's compliance with insurance requirements.
13. Reviewing and testing the subgrantee's safeguarding of fixed assets.

**Fiscal** – DHCD will be checking for appropriate payment processing. Monitors will also be looking at grant utilization to make sure funding is utilized in allowable combinations, that subgrantees have made use of all awarded funding sources, that contractors are paid within the allowable payment period, and that the back-up documentation provided with invoices is appropriate to the claim made.

The following documentation will be acceptable to submit as backup documentation for an invoice:

1. Contractor invoices;
2. Bills and/or receipts from service providers (such as accounting, IT, etc)
3. Receipts for purchases from stores;

4. Receipts for purchases from Centralized Purchasing;
5. Payroll records detailing the employee name;
6. Timecards; and
7. General ledger for overhead or administration costs which are allocated based on an approved cost allocation plan/indirect rate plan. Costs identified on the general ledger should reflect the cost allocated amount being claimed.
8. Required Backup Documentation - A detailed general ledger or expense report for all costs charged to the grant under each budget line item where backup invoices, receipts and timecards have been reduced. This report must be detailed by each individual charge and must show date of the transaction, vendor name, invoice number and amount charged.

All backup documentation must be available and will be reviewed during future DHCD monitoring visits.

A copy of the Program Monitoring Tool utilized by DHCD's monitoring staff can be found at the end of this manual as Attachment X.

**Quality Improvement Plan** – Program monitoring visits uncovering serious, numerous or recurring findings may result in the agency being placed on a Quality Improvement Plan [QIP]. The intent of the QIP is to help the agency improve the areas of deficiency. As part of the QIP, DHCD monitoring staff will make additional visits to the agency during the plan period to ensure changes are being implemented and all noted findings are being resolved. The QIP may be extended or modified as deemed necessary by DHCD to accomplish the needed subgrantee improvement. DHCD also reserves the right to issue a modified QIP, which could encompass fewer visits or a modified time table.

DHCD's monitoring staff prepares the monitoring schedule and contacts each subgrantee to establish the necessary appointments. Requests for program monitoring include notification of the client files chosen for review and all additional information such as financial and procurement documentation. Upon completion of the program monitoring, DHCD's monitoring staff will perform an exit interview to summarize any issues discovered during the monitoring and offer suggestions for improvement. Within thirty business days of the exit interview, DHCD will issue a written report to the subgrantee. The subgrantee will then have thirty business days, as outlined within DHCD's report, to respond in writing to DHCD. Upon receiving the subgrantee's response, DHCD's monitoring staff will review the documentation and clear the monitoring as warranted. If additional information is required from the subgrantee, DHCD will issue a follow-up response detailing what information is needed with an appropriate deadline for

the response. This process will continue until all items in the report are cleared and the monitoring closed.

### **Monitoring Notes**

DHCD reserves the right to question all associated costs and may require that the subgrantee repay grant funds to DHCD with non-federal dollars. Examples for repayment are as follows:

- insufficient justification for work performed
- insufficient documentation
- ineligible clients
- lack of adherence to policy or Federal guidelines or negligence is evident resulting in a dangerous condition for a client.

DHCD monitoring staff may use alternate procedures or request additional information to verify compliance when it is necessary or deemed appropriate. Failure by the subgrantee to respond in writing to the monitoring report by the established deadline may result in invoices being held by DHCD until the proper response is received. DHCD regularly tracks DOE, EmPOWER, MEAP, and SEIF expenditures, production, and average cost per unit. DHCD may, at its discretion, reallocate funding during the grant cycle should grant tracking reveal low subgrantee expenditure or production rates.

### **Recordkeeping**

All subgrantees are expected to maintain documentation of all program implementation activities in a clear, transparent, consistent, and orderly manner. Records provide a historical representation of the thoroughness and appropriateness of service delivery and conformance to applicable rules and regulations. Files and records must be retained for three years after the close of the program year. The program year is closed after a satisfactory compliance monitoring and written notification is received from DHCD.

The Local Administrator shall maintain such records in such a manner as will be prescribed. Records shall be readily accessible to DHCD, appropriate state and federal agencies, and the general public during the course of the Agreement and shall remain intact and accessible for three years thereafter. The exception is if any litigation claim or audit is started before the expiration of the three-year period, the records shall be retained until such action is resolved. Records must be maintained until resolution of action for all litigation, claims, negotiations, or audits.

For property and equipment, the retention period starts upon disposition of the property/equipment. Financial records, supporting documents, statistical records, client records, or any other pertinent information must be kept for three years. A record keeping system is more complete if these records can be easily cross-referenced or accessed. A cross-referencing process can be created by using date, job ID number, address of service delivery, invoice number, etc.

***Note:** Client records contain personal information about the client. This information must be protected and secured. Client files must not contain social security numbers.*

Records consist of two main types, administrative and client. Administrative records include all documents related to program implementation, including financial records that are not directly related to individual client names and client property addresses.

Administrative records and files are associated with the following general areas:

- Contracts, amendments
- Financial Management
- Procurement and Advertising
- Fair Housing
- Personnel Training and Certification
- Vehicle, Equipment, and Materials Inventories or ledgers.

### **Client Record Keeping**

While each subgrantee has its own client intake process and forms, all subgrantees are expected to maintain the same basic client information. The Hancock Energy Software database provides the best means to maintain large volumes of client records from many different program years. However, hard copies of the forms used to obtain the information must be retained because these documents contain client signatures that indicate their authorization to collect their personal information and to perform construction work on their property.

Specific information about the client is required for reporting to DHCD and the federal government. This information must be maintained in the client records. Client records are reviewed as part of the compliance monitoring. These files are reviewed to ensure client eligibility and client acceptance of work and other items. For a list of items that should be included in the client record see Section 5.

## **Financial records**

Financial records occur in two major categories—“Revenue” (income) and “Costs” (expenditures). Each major category can be broken down into smaller parts as follows:

### **Revenue**

Grant Funds

Gross Income earned through grant supported activities

Rental fees

Earned Interest

Other earnings

### **Costs**

Separate Cost Categories

Insurance

Materials Purchased for Weatherization

Capital Expenditures

- Vehicular
- High Value Machinery/Equipment

Program Operations

- On Site Wages and Benefits
- Contracted Labor
- Other

Program Support

- Wages and Benefits
- Vehicle Operations (maintenance and fuel)
- Materials Storage
- Other

Administration

- Wages and Benefits
- Operations
- Other

Financial Audit

Training and Technical Assistance

These categories are established to conform with reporting requirements to DOE and DHCD. They are designed to be helpful for the local administrators in tracking and monitoring income and expenditures. These cost categories are intended to provide a link between reporting

requirements as established by DOE and allowable costs listed in *OMB Circular A-122 and A-87*.

Costs are the actual money spent by the subgrantee to fulfill the services required. Costs are either “Allowable” or “Not Allowed”. Allowable costs are the direct and indirect expenses that support the weatherization program and can be properly invoiced. Allowable Costs are specifically defined by the *2 CFR Part 200*.

Examples of Allowable Costs and Non-Allowable costs in the DHCD Weatherization Assistance Program are attached at the end of this chapter.

### **Reporting Requirements**

Data for production and invoices should be entered in to HES on an ongoing basis. Timely entry of all weatherization information ensures that current data is relayed to the appropriate funding source and in turn is used by the federal government and stakeholders to justify future appropriations. DHCD is required to submit monthly and or quarterly written reports to the Department of Energy and other stakeholders.

DHCD receives and tracks information on a monthly and quarterly basis in order to monitor the rate of program spending and performance. Most of the information needed is reported via the database. However, accurate job and expense reports must be maintained in the subgrantee’s files. Financial activity reports are required for the expenditure of DOE funds. Hancock cannot produce reports for proper accounting of the budget categories and sub-categories for DOE. A separate financial tracking software should be used to generate the required reports. Subgrantees must submit quarterly cumulative financial reports to DHCD to document revenue and expenditures for Program Operations, Health & Safety (H&S), Admin., and Training and Technical Assistance activities. DHCD monitoring staff may request additional information to verify compliance when it is necessary or deemed appropriate. Supplemental documentation must be provided within 30 days of the request.

### **Close-Out Reports**

Program year end close-out reports are due to DHCD within thirty days of the end of the grant program year. Close-out reports should be completed using the [\*Close Out Form\*](#) included as Appendix I and accurately reflect the total dollars claimed for each line item after the final claim has been paid by DHCD. Subgrantees are required to submit (mail or deliver) an original signed and completed close-out report that meets all program requirements to DHCD by the due date.



DHCD reconciles each subgrantee's close-out report with the DHCD production data and invoices submitted during the grant year. This is done to verify that subgrantees are in compliance with program guidelines. Subgrantees must work closely with their financial department to accurately report expenses and claims. Emailed or faxed copies will not be sufficient for closeout reports.

Subgrantees are strongly encouraged to start work on the close-out report several weeks prior to the actual due date. DHCD staff is available for guidance and will review completed close-out reports for accuracy if the report is sent via email to the Compliance Officer at least one week prior to the due date. DHCD wants to ensure all subgrantees are able to submit an accurate and complete close-out report by the due date and will offer recommendations, corrections and/or guidance to each subgrantee who requests it prior to the due date.

DOE program income is subject to specific guidance provided in *2 CFR Part 200*. An annual report stating the amount of program income received will be detailed by the subgrantee on the funding source close-out report.

### **Reporting Schedules**

Reports are due by the 30th of the month following the end of each quarter (i.e. quarter ending March 31st, report is due April 30th). If the 31st falls on a weekend or a holiday then reports are due the very next business day. Reports are still required if there are no completed jobs or expenditures to report. Reports submitted that show "zero" for expenditures will be accepted however subgrantees that submit more than one report with zero activity will be subject to a performance review. DHCD may require additional planning documentation and reporting. Under circumstances where a subgrantee fails to display adequate progress and/or fails to provide a definitive plan for the remainder of the grant period, DHCD reserves the right to decrease the amount of the grant and reallocate funds to other subgrantees. Funding for all grant programs will be reconsidered on a quarterly basis. Reimbursements may be held if quarterly reports are 30 days or more past due. Extensions may be granted in special circumstances.

All final claims and close out reports must be submitted to DHCD within thirty calendar days after the end of the program year or DHCD may deny payment. Subgrantees must liquidate all outstanding obligations properly incurred during the term of the agreement no later than thirty calendar days after the end of the program year.

## ALLOWABLE COSTS: DEFINITIONS AND EXPLANATIONS

This attachment is written to provide some guidance on the terms used throughout this chapter. It is based on **OMB Circular A-122**, and the **Federal Acquisition Regulations (FAR) – Section 31.205**.

<b>Accounting Costs</b>	These are the costs incurred as a result of developing, establishing, and maintaining an accounting system to track costs and results. Accounting directly supports programs.
<b>Advertising Costs</b>	The costs associated with the utilization of media or mediums specifically for the benefit of the program. This can include: want (recruitment) ads, advertising the program, phone book listings, solicitation of bids (for materials or services), costs of flyers, etc.
<b>Advisory Council Costs</b>	Costs incurred by Advisory Councils or Committees, created in accord with federal requirements, whose goal is to carry out a grant program.
<b>Audit Service Costs</b>	The costs associated with the auditing of accounting, management, and administration of a local program. This can include the hiring of an outside agency to check the local provider's books.
<b>Bonding Costs</b>	The costs of rates or premiums on bonds covering employees who handle subgrant funds or sub-contractors. Basically this is a type of insurance against potential malfeasance or mistakes.
<b>Budget Costs</b>	The costs associated with the development, preparation, presentation, and implementation of budgets or budget modifications. This is different from "Accounting Costs". A Budget is the money and plan for where it should go. Accounting is the tracking of the money and plan.
<b>Communication Costs</b>	The costs associated with all types of communication used to support the local organization and program.
<b>Compensation for Personal Services</b>	<p>This is wages, salaries, compensation and benefits. The compensations costs are allowable if: the total compensation is reasonable for the services provided, is in accord with the limitations of any contracts between the WAP and local provider, follows a salary schedule supported by law, and is determined by and supported by adequate documentation.</p> <p>Payrolls must be supported by time and attendance records for each employee. Total compensation for an employee that works in more than one program (an example would be Weatherization and EmPOWER) would be split between the programs that the employee participates in. Documentation would show time spent with each program to create an actual and equitable allocation of program funds.</p>
<b>Fringe Benefits</b>	<p>Benefits in addition to "Compensation for Personal Services". These benefits must be reasonable and rational. They include: Annual Leave, Sick Leave, Court Leave, Military Leave, etc. These costs are allowable if they are part of the personnel system of the organization, equitably applied to all employees, and equitably applied to all grant programs operated by the provider.</p> <p>Employer's contributions or expenses for Social Security, life and health insurance plans, unemployment insurance, worker's compensation insurance, severance pay, etc. are allowed if they meet the same criteria as the other benefits. All benefits must be properly documented as to what they are, the named beneficiaries, how they are used, and when they are used.</p>
<b>Maintenance and Repair</b>	These are costs incurred for necessary maintenance, repair, or upkeep of property.
<b>Materials and Supplies</b>	This is specifically for those materials and supplies needed to implement the program. The actual cash cost to the provider of the items is the value used or the allowable cost. The provider does

	not get to charge the materials twice to the program by first using program funds to buy the materials and second by using the materials as allowable cost items also.
<b>Meetings and Conferences</b>	These are expenses where the purpose is to give and receive technical information related to the program are allowed. Legitimate business meetings involving non-alcoholic refreshments are allowed. There is significant difference between legitimate business meetings and entertainment. Entertainment is not permitted to be an allowable cost.
<b>Memberships</b>	The cost of a membership in an organization is allowable if the membership benefits the weatherization program, the expenditure is for an agency membership, the cost is reasonably related to the value received in services or benefits received, and if the membership organization is not devoting a substantial part of its activities to influencing legislation.
<b>Payroll Preparation</b>	The costs associated with preparing and maintaining wage records.
<b>Personnel Administration</b>	These are costs associated with hiring, training, testing, and certifying of personnel. It also includes the costs associated with creating and implementing pay standards for employees.
<b>Printing and Reproductions</b>	This includes the creation of and the publishing of forms, circulars, flyers, reports, manuals, or other informational literature related to the program.
<b>Procurement Services</b>	The costs of obtaining materials or services directly related to the program are allowable. This includes solicitation of bids, preparation and awards of contracts, and all things necessary to insure proper administration of the services received for the program.
<b>Reference Materials</b>	This is the cost for technical manuals, periodicals, circulars, magazines, etc. that provides information related to weatherization services. If the reference material is part of a membership package it is not a separate allowable expense.
<b>Taxes</b>	Taxes, or payments in place of taxes, which the local organization is legally obligated and required to pay are allowable when they directly relate to weatherization. If an organization participates in multiple grant programs, spread the tax costs out appropriately. Programs are often eligible for tax exempt status in some areas and should pursue those opportunities.
<b>Training and Education</b>	These costs are specifically for in-service training. It is usually provided for employee development which directly or indirectly benefits the program. A good rule of thumb is “Was the employee paid while attending this training?”
<b>Transportation</b>	This relates to the shipping of materials necessary for the use of or betterment of the program. An example might be the shipment of technical manuals from the publisher to the organization’s location. This category does not include employee travel unless an employee went to go get and bring back the technical manuals.
<b>Travel</b>	This category is for employee travel expenses directly related to the program and local agency’s business. Costs (food and lodging) may be charged on an actual basis. Mileage is prorated and not to exceed federal guidelines. Airline travel costs are only allowed for classes less than “First Class”. In order for travel expenses to be allowed they must be consistently applied parts of an organization’s personnel policy.

## NON-ALLOWABLE COSTS: DEFINITIONS AND EXPLANATIONS

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This attachment provides some guidance and clarity to what is defined as a “Non-Allowable Cost”. It is not absolute and total in its scope. It is based on **OMB Circular A-122** and the **Federal Acquisition Regulations (FAR) – Section 31.205**.

<b>Bad Debts</b>	This means ANY losses coming from uncollectible accounts.
<b>Contingencies</b>	Many organizations will create a “rainy day” or emergency fund. This money is taken out of the business and held in an account for the “just in case” situation. Since this money is not in active use by the organization it is sometimes assumed that this is a loss of income. This is not the case. This money is held in reserve and still belongs to the organization. It is not an investment. It is not leveraging funds.
<b>Contributions or Donations</b>	Contributions or donations, including cash, property, and services made by organizations, regardless of the recipient are unallowable.
<b>Cost of Borrowing</b>	If an organization borrows money from any other organization or institution any costs related to this activity are not deductible. Interests, filing costs, administrative fees, bond discount fees, legal fees, etc. are not allowable deductions.
<b>Entertainment</b>	The costs of amusements, social activities, and all expenses related to entertainment are not allowable. This category is sometimes confused with legitimate business meetings or training. There are several keys to understanding this category. Was the employee compensated for attending the meeting? Did the employee receive or transmit knowledge that is directly applicable to the organization or the services provided? Was alcohol served (if yes, then it was definitely entertainment)?
<b>Fines or Penalties</b>	Any fine received by any organization is a punitive action by an authority. This includes costs related to the failure to obey or comply with any federal, state or local law, regulation or rule.
<b>Recovery of additional expenses</b>	This is when a job costs more than expected and the grant does not cover the total price. The provider must make up the difference. This additional cost is not allowable as a business loss.

## **FORMS INDEX**

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## **RPIP-1 PERMISSION TO ENTER PREMISES MARYLAND WEATHERIZATION PROGRAMS**

### **TO THE BUILDING OWNER:**

Your building is being considered to receive services under the Weatherization Programs (WP). The WP is funded by the United States Department of Energy (DOE) and administered in Maryland by the Department of Housing and Community Development (DHCD). The WP operates under the rules and regulations of both USDOE and DHCD that have certain requirements of which you, as a building owner, should be aware. At the bottom of this page is a form granting your permission for the local agency to enter your building to perform an audit and collect eligibility documentation from your tenants.

Before the work begins on your building, you will be required to sign a Building Owner Agreement, a copy of which is attached for your review. WP may require a financial commitment from the building's owner(s) for each building containing rental units. These funds provided by owners are used to supplement the weatherization activity. Exceptions to this requirement can be made when the owner is an eligible applicant or where hardship of the owner can be proven. This investment can take several forms and is dependent on the results of the energy audit. When the audit is complete the local weatherization agency will meet with you to discuss your building's energy conservation potential, your financial commitment to the project and the Owner Agreement.

After weatherization services have been provided, the local agency is required to conduct a quality control inspection to ensure that work was completed in accordance to the standards set forth by the WP. It is your responsibility to assist the local agency staff in gaining entrance to your property. Refusal to assist the local agency staff in the discharge of their duties regarding quality control inspections is cause for the reimbursement of the costs and related fees for the weatherization services.

### **PERMISSION TO ENTER PREMISES**

I, \_\_\_\_\_ as owner/authorized agent for the building located at

\_\_\_\_\_  
have read and understand the above and hereby grant permission for representatives of \_\_\_\_\_ to enter these premises for the purposes of conducting an energy audit and collecting eligibility documentation from the residents. I also accept the conditions of the required audit fee, under the conditions above.

Owner's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Agency Rep: \_\_\_\_\_  
Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **RPIP-2 WEATHERIZATION INFORMATION SHEET MARYLAND WEATHERIZATION PROGRAMS**

The Weatherization Programs administered by the State of Maryland is a means of improving the energy efficiency of a dwelling unit to produce fuel savings in the homes of low-income, elderly and disabled persons. The program is funded annually by the U.S. Department of Energy, utility companies and other sources. Application for assistance under the program is made to local agencies, which are independent contractors for the State of Maryland or to the local Maryland Energy Assistance Program (MEAP) office.

After approval of the application, the local agency conducts a comprehensive professional energy audit of the applicant's home. Based on the results of the audit and depending on available funds, the local agency installs, or causes to have installed, weatherization measures in the applicant's home which have been determined to be the most cost effective in reducing the applicant's energy consumption while increasing comfort, which may include insulation of attics. The measures that may be indicated by the audit fall into four major categories:

1.     **Heating Efficiency:** These measures are designed to improve the operation of the system which delivers heat to the dwelling unit and may include a cleaning and tuning of the furnace or boiler, repairs, and modifications, as needed. This category also includes distribution system service including repair of duct work, repair or replacement of circulator pumps, replacement of stream vents, system balancing, etc.
2.     **Infiltration Measures:** These are measures designed to reduce the air changes between the interior and the exterior of the dwelling unit. Included in this category are: weather-stripping, caulking, repair or replacement of broken windows and exterior doors, sill plate sealing/insulation, etc.
3.     **Conduction Measures:** These are measures designed to reduce the conduction of heat from the interior to the exterior of the dwelling unit. This category consists primarily of attic, floor, perimeter, water heater, pipe and heat duct insulation and ventilation where appropriate.

4. **Repairs:** This category includes any repairs that may be needed to preserve, protect or allow for the installation of weatherization materials.

**RP13-BUILDING OWNER AGREEMENT**  
(RP13-2)(REV-03/2009)  
**MARYLAND WEATHERIZATION PROGRAMS**

The undersigned parties being known as \_\_\_\_\_,  
hereinafter referred to as the "AGENCY" and \_\_\_\_\_, hereinafter referred  
to as the "OWNER" for the premises located at \_\_\_\_\_  
\_\_\_\_\_ do mutually agree to the  
following:

1. The OWNER agrees to cooperate with the AGENCY by assisting in the gathering of all records and documents necessary for the AGENCY to determine if the tenants residing at the premises are eligible for weatherization services. The AGENCY shall keep confidential the names and incomes of tenants living at the aforementioned premises.

2. If the AGENCY, in its sole discretion, determines that the premises are eligible for weatherization services, the AGENCY agrees to weatherize the premises in accordance with applicable codes, laws and regulations. A general description of the full range of services that may be rendered by the AGENCY is attached as EXHIBIT I. The AGENCY agrees to forward a summary of the work-scope to the OWNER after the energy audit is completed. In exchange for these services, the OWNER agrees to be bound by the terms and conditions of this AGREEMENT for a period of \_\_\_\_ years commencing on the date work is complete.

3. The OWNER agrees not to evict the tenant(s) during the period of this AGREEMENT, except for cause. The OWNER agrees not to increase the rents at the premises during the period of this AGREEMENT except to recover actual increases in property taxes or the costs of improving the premises, not resulting from this AGREEMENT. Where this is the case, the OWNER agrees to recover only a pro-rated share of the cost from each tenant. A list of units and rents is attached as EXHIBIT II.

4. The OWNER agrees to rent vacant dwelling units identified in the attachment to this AGREEMENT to households eligible to receive weatherization services. These dwelling units must be rented to income eligible households within 180 days from completion of the vacant unit(s).

5. The OWNER hereby affirms that the property is not presently being offered for sale and further agrees to give the AGENCY thirty (30) days notification of the sale or conversion of the premises. At least ten (10) days prior to the sale or conversion, the OWNER agrees to obtain, in writing, the purchaser's consent to assume the OWNER'S obligations under this AGREEMENT or, if this consent is not obtained, to pay the AGENCY the cost of weatherization pro-rated by the number of months left under this AGREEMENT.

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6. The OWNER agrees to make all repairs or improvements (if any) specified in the OWNER'S Work Agreement attached as EXHIBIT III. Such OWNER investment in the weatherization work shall be handled in the manner prescribed in the Program Operations Manual of the AGENCY. The AGENCY need not commence its work until the OWNER'S work is done to the AGENCY'S satisfaction. If the OWNER fails to complete, or cause to be completed, the work to the AGENCY'S satisfaction, the AGENCY may complete or cause the work to be completed and charge the OWNER accordingly including charges for support services and reasonable attorney fees.





8. The AGENCY agrees to begin installation of weatherization materials on or about \_\_\_\_\_, 20\_\_\_\_. From this date through the completion of the weatherization work, the OWNER agrees to give the AGENCY access during normal business hours to all dwelling units and common areas to be weatherized.
9. The AGENCY and OWNER agree that the tenants, present and future, are meant as the persons to benefit from the weatherization program. The AGENCY shall provide a synopsis of this AGREEMENT to each tenant as provided in EXHIBIT IV. The OWNER agrees to provide a copy of this AGREEMENT to all future tenants while this AGREEMENT is in effect.
10. The OWNER agrees to assist the AGENCY in gaining entrance to the dwelling unit for the purpose of conducting a quality control inspection of work completed. Refusal to assist the AGENCY in fulfilling their responsibility regarding the performance of this inspection is cause for denial of weatherization service and recovery of AGENCY costs.
11. Upon default of this AGREEMENT, the OWNER agrees to pay to the AGENCY the full cost incurred by the AGENCY relating to this AGREEMENT, including materials, labor, support and administrative costs. In the event that the AGENCY has not begun to weatherize the premises at the time of default, the OWNER will be required to pay the AGENCY for any custom ordered materials and an amount equal to ten percent 10% of the projected weatherization costs as a re-stocking fee.

I CERTIFY THAT I HAVE GIVEN MY PERMISSION TO ALLOW WEATHERIZATION WORK ON THE PROPERTY LISTED ABOVE AND THAT I WILL NOT BE HELD LIABLE FOR ANY COSTS NOT PROVIDED FOR IN THIS AGREEMENT AND ITS ATTACHMENTS.

WITNESS by our signatures and date.

\_\_\_\_\_  
SIGNATURE OF OWNER/AUTHORIZED AGENT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
(PRINTED NAME)

\_\_\_\_\_  
AUTHORIZED SIGNATURE FOR AGENCY

\_\_\_\_\_  
DATE

\_\_\_\_\_  
(PRINTED NAME)

\_\_\_\_\_  
NAME OF AGENCY

**SERVICES TO BE PROVIDED:**

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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*OWNER under the AGREEMENT.*

(RPIP-4)(Rev 05/2009)

**RPIP-5 BUILDING OWNER AGREEMENT  
ELIGIBLE DWELLING UNITS AND RENTS  
MARYLAND WEATHERIZATION PROGRAMS**

The eligible dwelling units including designated eligible vacant units which are to be weatherized or caused to be weatherized by the AGENCY under the AGREEMENT and each unit's rent as of the effective date of the attached AGREEMENT are as follows:

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

ADDRESS: \_\_\_\_\_

UNIT NUMBER OR DESCRIPTION: \_\_\_\_\_

AMOUNT OF RENT \$ \_\_\_\_\_ AS OF \_\_\_\_\_

Initials: \_\_\_\_\_

OWNER

DATE: \_\_\_\_\_

AGENCY









## **RPIP-7 TENANT SYNOPSIS OF OWNER'S AGREEMENT MARYLAND WEATHERIZATION PROGRAMS**

The Maryland Weatherization Programs (WP) is designed to provide funds to weatherize the homes of income eligible households. The owner of your building has entered into an Agreement with \_\_\_\_\_, the local WP agency, to have your building weatherized on your behalf. Most, if not all, of the materials and labor to weatherize the building are being supplied free of charge to the owner because you are income eligible to receive the benefits of the WP program. In return for this weatherization, the owner has agreed to several provisions that benefit you. These provisions are summarized below:

1. Your rent will not be increased solely based on the installation of energy conservation materials supplied by the AGENCY or the owner for a period of \_\_\_\_ years from \_\_\_\_\_, 20\_\_\_\_. The owner may increase your rent to recover investments made in addition to the weatherization services covered by this Agreement, increases in property taxes, and increases in other reasonable building operating costs.
2. The owner agreed to fill \_\_\_\_\_ vacant units within 180 days with people who are eligible to receive WP benefits.
3. If the current owner sells your building before \_\_\_\_\_, 20\_\_\_\_, the new owner must also comply with all of the provisions of this Agreement.
4. You have the right to see the Agreement signed by the owner and the Agency named above who weatherized your building. To arrange to see the Agreement, write the Agency named above at:

\_\_\_\_\_  
\_\_\_\_\_



## **V-A ROOMERS OR BOARDERS SEPARATE LIVING QUARTERS FORM**

1. Does your family unit eat with any other persons in this structure?

Yes\_\_\_\_\_/ Institute the denial process

No \_\_\_\_/ Go to # 2

2. Do you have direct access to your room from the outside of the building or through a common hall?

Yes\_\_\_\_\_/ Institute the standard certification process

No\_\_\_\_\_/ Go to # 3

3. Do you have complete kitchen facilities?

Yes\_\_\_\_\_/ Institute the standard certification process

No\_\_\_\_\_/ Institute the denial process

\* A family unit means all persons living together in a dwelling unit.\*\* The occupants may be a single-family , one person living alone, two or more families living together, or any other group of related or unrelated persons who share living quarters.

\*\* In this instance a dwelling unit means a group of rooms or a single room occupied as separate living quarters.

**V-B DECLARATION OF INCOME / RE-CERTIFICATION  
FOR SOCIAL SECURITY AND SSI RECIPIENTS**

Document Control Number\_\_\_\_\_

County Code\_\_\_\_\_

Center Code\_\_\_\_\_

When you applied for the Maryland Weatherization Programs you stated that there was/were\_\_\_\_\_ person/persons in your household and that the source and amount of income was as follows:

_____ Name of Household Member	_____ Social Security Income	_____ Supplemental Security Income
--------------------------------------	---------------------------------	--

_____ Name of Household Member	_____ Social Security Income	_____ Supplemental Security Income
--------------------------------------	---------------------------------	--

_____ Name of Household Member	_____ Social Security Income	_____ Supplemental Security Income
--------------------------------------	---------------------------------	--

Because your application is six months old or older, we must determine if you are still eligible for services. Please check all appropriate boxes below and return the form to:

Name of Agency:

\_\_\_\_\_  
Address of Agency: \_\_\_\_\_

- ☐ My household income has not changed.
- ☐ The number of persons in the household has not changed.
- ☐ Neither I nor the other members in my household receive any other source of income.

Applicant's Signature

Date

(V-B) (Rev 05/2009)

**V-BA INSTRUCTIONS FOR FORM V-B**  
**DECLARATION OF INCOME /RE-CERTIFICATION FOR SOCIAL SECURITY AND**  
**SUPPLEMENTAL SECURITY INCOMES**

1. Enter the Document Control Number from the original application.
2. Enter the County Code.
3. Enter the Center Code.
4. Enter the number of persons in the household as indicated on the *original application* and cross out the inappropriate words.

Example:      was/(were) 1 person/(persons)  
                   (was)/were 2 (person)/persons

5. Enter the names of the household members and the amount of income (by type) received by each person.

**Example:**

<u>John Smith</u>	<u>\$432.57/month</u>	<u>                  .</u>
Name of Household Member	Social Security Income	Supplemental Security Income
<u>Mary Smith</u>	<u>                  </u>	<u>\$376.12/month</u>
Name of Household Member	Social Security Income	Supplemental Security Income

6. Fill in the agency name and address. You may wish to provide the agency phone number as well.
7. The applicant should check all boxes that apply, sign and date the form, and return it to the agency. You may choose to enclose a stamped envelope with the agency name and address. Agencies may also choose to notify applicants by phone prior to mailing the form.



## V-D WEATHERIZATION ASSISTANCE APPLICATION FORM

### **MD DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT** **WEATHERIZATION ASSISTANCE APPLICATION**

PLEASE PRINT ALL INFORMATION

Please complete the Weatherization application. Return completed application to MD Department of Housing and Community Development along with the following:

- Proof of gross household income for the last 30 days prior to the date you sign this application. (Bank Statements are not considered valid proof of gross income)
- Proof of identification for the applicant and social security cards for all members of the household.
- A current electric bill/ and or a current gas bill.

\*\*\*\*\***APPLICANT INFORMATION**\*\*\*\*\*

Name:

Current address:

City:

State:

Zip Code:

Phone:

Alt. Phone:

Email:

(Please Circle) \* Apartment/Multi Family \*Double Row/Townhouse  
\*Single-family Home \* Mobile Home

(Please Circle) \* Renter \*Homeowner

\*\*\*\*\***RENTERS ONLY**\*\*\*\*\*

LANDLORD'S NAME:

LANDLORD'S PHONE NUMBER:

\*\*\*\*\***HOUSEHOLD INFORMATION**\*\*\*\*\*

Head of Household Name:

Date of birth:

SSN:

Relationship:

Sex: M / F

Race:

30 day gross income:

Name:		
Date of birth:	SSN:	
Relationship:	Sex: M / F	Race:
30 day gross income:		

Name:		
Date of birth:	SSN:	
Relationship:	Sex: M / F	Race:
30 day gross income:		



Name:		
Date of birth:	SSN:	
Relationship:	Sex: M / F	Race:
30 day gross income:		

Name:		
Date of birth:	SSN:	
Relationship:	Sex: M / F	Race:
30 day gross income:		

• PLEASE LIST ANY ADDITIONAL HOUSEHOLD MEMBERS ON ANOTER PAGE.

**ELECTRICITY PROVIDER INFORMATION**

My Electric Company is :

The name on the account is:

My Account Number is:

**CHECK ONE BOX BELOW FOR THE MAIN SOURCE OF HEAT IN YOUR HOME**

- ELECTRICITY
- UTILITY GAS
- PROPANE
- OIL
- KEROSENE
- COAL WOOD/PELLETS

**Do have a central air conditioning unit? Yes No ( Circle One)**  
**If No, how do you cool your home? \_\_\_\_\_**

My heat supplier or fuel company is :

The name on my fuel/ heat supplier account is:

My Account Number is:

**HEALTH , SAFETY AND STRUCTURAL CONDITION OF HOME  
(PLEASE CHECK ALL THAT APPLY )**

QUESTIONS	YES	NO	NOT SURE
Do you have any missing external windows or doors?			
Is there mold or mildew in the home?			
Are there any active roof leaks?			
Do you have any damage to the ceilings?			
Are there any electrical violations/hazards?			

Are there any plumbing leaks/moisture problems?			
Any other structural or health concerns?			
<p>I declare that the information provided to The Maryland Department of Housing and Community Development (DHCD) is true, correct and complete. I understand that when this application is signed, permission is given: 1) For DHCD to verify all household income and any other benefits; and 2) For other governmental and nongovernmental agencies to give/and or receive information from/to DHCD needed to complete this application.</p>			
Signature of applicant			Date

## V-F AGENCY QUALITY CONTROL FORM (SAMPLE)

(V-F)(06/2016)



### Agency QC Form (SAMPLE FORM)

Client: Sample Client

Job Number: 1111111111

555 Gamehendge Way

Agency Name: Network Partner

Wilson, MD 21771

Inspector: Tela Rutherford

301-410-1234

Vendor: Weekapaug Insulation

Inspection Date:

Heat Sys Post Eff: 248.9

Final Pre-Test CFM: 3,250

Target CFM: 2,000  
Final Post-Test CFM: 2,680

Measure Group: Attic

Measure	Quantity	Unit	Status	Comments	Callback
ES - Insulation - Install Foam Board 4"(Attic)	6	SF	Pass / Fail		[ ]
ES - Insulation - Install R-49 Fiberglass(Attic)	828	SF	Pass / Fail		[ ]

ES - Water Lines - Insulate	5	LF	Pass / Fail		[ ]
MINOR-Repair plumbing-HS	1	each	Pass / Fail		[ ]

Measure Group: Infiltration

Measure	Quantity	Unit	Status	Comments	Callback
Blower door guided air sealing	570	cfm	Pass / Fail		[ ]

Measure Group: Lighting

Measure	Quantity	Unit	Status	Comments	Callback
ES - CFL - 16W			Pass /		

Contractor Signature

DATE

**V-G ADDITIONAL APPLICATION INFORMATION**

**(LETTERHEAD)**

Applicant Name  
Address  
City, MD, ZIP  
Date

Dear

We have received your application. After review of your application, we have determined that the following documents are missing or incomplete from your application package.

- \_\_\_ Completed Weatherization Application
  - \_\_\_ Proof of Identification for household members
  - \_\_\_ Social Security cards for household members
  - \_\_\_ Proof of gross income for previous 30 days. - *Required for all household members over 18 (Bank Statements are not acceptable)*
  - \_\_\_ Signed Energy Consent Form
  - \_\_\_ Current Gas and/or Electric Bill
  - \_\_\_ Proof of homeownership – Tax Bill, Title Search or Copy of Deed
  - \_\_\_ Other \_\_\_\_\_
- 
- 

Please return these documents within 30 days to avoid closure of your file. Your application cannot be processed until all of the required documents are return.

Sincerely,

---

Name  
Title  
Agency

(V-G)(Rev8/2015)

**V-H INCOME SOURCE FORM**

Complete this form and return with your application and proof of all income for the previous 30 days.

TYPE OF INCOME	YES	NO
Wages, tips, commissions and salaries before any deductions received for employment or services rendered		
Net receipts from self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses)		
Regular payments from social security		
Retirement		
Annuities		
Pensions		
IRAs		
Unemployment Compensation		
Strike Benefits from Union Funds		
Workman's Compensation		
Veteran's Payments		
Training Stipends		
Alimony		
Dividends and Interest		
Military Family Allotments		
Net Rental Income		
Net Royalties		
Periodic Receipts from Estates or Trusts		
Net Gambling and Lottery Winnings		

I certify that the information supplied for the weatherization program is accurate and I have truthfully responded.

---

Print Name

---

Signature

---

Date

(V-H)(Rev8/2015)

**V-J DEFERRAL LETTER****Deferral of Service Notification**

<b>Client Name:</b>			
<b>Address:</b>			
<b>City &amp; Zip:</b>			
<b>Phone Number:</b>			
<b>Audit Date:</b>		<b>Auditor:</b>	
<b>Name of Agency:</b>			



*Your home was recently audited for weatherization services. It is the policy of this agency to provide weatherization services when those services may be delivered effectively and safely, without causing hazard to contractors or clients. The conditions found during the audit preventing the weatherization of your home at this time are noted below.*

- ☐ Standing water, mold, friable asbestos, deteriorated lead-based paint surfaces or other hazardous materials.
- ☐ Evidence of infestations of rodents, insects, and/or other vermin.
- ☐ The presence of sewage or animal feces in the home.
- ☐ Maintenance or housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.
- ☐ Major remodeling is in progress, which limits the proper completion of major weatherization measures.
- ☐ Electrical or plumbing hazards or structural failures that cannot be addressed as a part of weatherization services.
- ☐ Threat(s) of violence or abusive behavior to worker(s) or household member(s) during the weatherization process.
- ☐ The illegal presence or use of any controlled substance in the home during the weatherization process.
- ☐ Occupant has known health conditions that prohibit the installation of insulation or other weatherization materials.
- ☐ Other: \_\_\_\_\_



**I certify that the above information is complete and accurate.**

---

**Print Name**

---

**Signature of Agency Representative**

---

**Date Signed**

**Client Information:**

I understand weatherization work has been deferred on my home for the above reasons. I understand the conditions under which weatherization work may continue. I understand I must contact the weatherization agency within 12 months of original application date if conditions have changed and that these changes may allow work to resume. I understand if I contact the weatherization agency more than 12 months after the original application date I need to reapply for weatherization services.

---

**Print Name**

---

**Client Signature**

---

**Date Signed**

**V-K NOTIFICATION OF ELIGIBILITY FOR WEATHERIZATION**  
(V-J)(Rev 05/2011)

**(LETTERHEAD)**

Applicant Name

Address

City, State Zip

Date

We are pleased to inform you that you are a candidate to receive energy efficiency improvements in your home. Increasing the energy efficiency of your home is a practical way to increase the comfort and safety of your home while lowering your utility bills.

The next step is for a certified Building Analyst to visit your home to perform a comprehensive assessment of energy and health and safety related items. Using state of the art diagnostic equipment, the analyst will develop a full-service energy efficient retrofit scope of work to be implemented by an authorized program weatherization company.

**The improvements may include but are not limited to:**

- Insulation of attics and crawl spaces
- Weather sealing of air gaps
- Energy efficient light bulbs
- Please note that window and door replacements are not a part of this program.

Please join the growing number of Marylanders who are enjoying the many benefits of living in an energy efficient home.

We look forward to serving you!

Sincerely,

(V-K)(8/2015)

**VI-A DENIAL LETTER  
(LETTERHEAD)**

Applicant Name

Address

City, MD, ZIP

Date:

Application Date: \_\_\_\_\_

Document Control: \_\_\_\_\_

Center Code: \_\_\_\_\_

Dear

Your application to receive services from the Weatherization Programs (WP) has been denied for the following reason(s):

( ) Your total household income of \$\_\_\_\_\_ per month as computed by WP exceeds the eligibility standard of \$\_\_\_\_\_. If you have a change in your income or family size, you may file another application 30 days after the date of your previous application. (D1)

( ) You did not provide complete proof of household income by the specified date of \_\_\_\_\_. (D2)

( ) You did not provide

\_\_\_\_\_ that was requested of you by the specified date of \_\_\_\_\_. (D3)

( ) Your household has previously received full weatherization services on \_\_\_\_\_.(D4)

( ) Other:

\_\_\_\_\_  
\_\_\_\_\_(  
D5)

If your circumstances change, you may file another application on or after \_\_\_\_\_. This date is 30 days after the date of your previous application. (Examples of changes in family circumstances are: changes in family size or changes in family income). Please bring this letter with you when you re-apply.

(VI-A) (Denial Letter)(Rev 05/2009)

## **VI-B YOUR HEARING RIGHTS**

### **YOU HAVE THE RIGHT TO APPEAL THIS DECISION IF:**

1. Your application is denied; or
2. Your application is neither approved nor denied within 10 days after all required information has been furnished by you.

If you wish to appeal the decision, you must complete the attached form and return it to us by \_\_\_\_\_. If you need assistance in completing the form, please call \_\_\_\_\_ on \_\_\_\_\_. (*Telephone No.*)

Available legal services to provide representation at the hearing can be obtained through your local legal aid office.

Sincerely,

\_\_\_\_\_  
Title

Enclosure: Request for Review of Decision

cc: Applicant's Denial File







**VI-D NOTICE OF SCHEDULED LOCAL HEARING**

**(LOCAL AGENCY LETTERHEAD)**

(Date)

(Applicant Name)

(Address)

(City, State, Zip)

Dear

In response to your request for appeal, a local hearing has been scheduled on \_\_\_\_\_ (DATE)  
\_\_\_\_\_ at \_\_\_\_\_ (TIME) \_\_\_\_\_. The site of the hearing is  
\_\_\_\_\_. (LOCATION) \_\_\_\_\_.

Please bring the following information to the hearing:

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You may provide additional information that you feel will be helpful in resolving your complaint. You may bring another person to represent you if you wish.

We hope to resolve your concerns as soon as possible. If you have any questions, do not hesitate to contact \_\_\_\_\_ at \_\_\_\_\_. Please call the Weatherization office at least 5 days prior to the hearing if you cannot appear on the scheduled date and time.

Sincerely,

Local Agency Program Director

cc: Customer File



**VI-E APPEALS HEARING DECISION LETTER**

**(LOCAL AGENCY LETTERHEAD)**

(Date)

(Applicant Name)

(Address)

(City, State, Zip)

Dear

This letter conveys the decision reached by this agency at the hearing held on

\_\_\_\_\_:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you wish to appeal this decision, you must return the form attached by  
\_\_\_\_\_ in order to be scheduled for a State level hearing. If you need  
assistance in completing the form, please contact \_\_\_\_\_ at \_\_\_\_\_.

Sincerely,

\_\_\_\_\_

Local Agency Hearing Officer

(VI-E) (Appeals Decision Letter) (Rev 05/09/2009)

**VI-F REQUEST FOR STATE LEVEL HEARING**

TO: (Program Director)

(Local Agency Name and Address)

FROM:

Your Name: \_\_\_\_\_

Your Address: \_\_\_\_\_

\_\_\_\_\_

Phone Where You May Be Reached: \_\_\_\_\_

I request a State hearing on your decision because:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date

\_\_\_\_\_

Your Signature

THIS FORM MUST BE RETURNED BY: \_\_\_\_\_ (Date) \_\_\_\_\_

(VI-F) (Request for State Hearing) (Rev 05/02009)

**VI-G NOTICE OF SCHEDULED STATE LEVEL HEARING**

(Date)

(Applicant's Name)

(Address)

(City, State, ZIP)

Dear

This is in response to your request for a State-level hearing by the Maryland Office of Weatherization Assistance. We have scheduled a hearing on \_\_\_\_\_ at \_\_\_\_\_.

The site of the hearing will be: \_\_\_\_\_. Mr./Ms. \_\_\_\_\_ will be the Hearing Examiner for your case. This Officer can be reached by contacting the office at \_\_\_\_\_.

If you cannot appear on the scheduled date and time, please contact the Hearing Examiner at least five (5) days before the date. Failure to appear at a scheduled hearing, without prior notification to the Hearing Examiner will result in a decision based solely on the materials in your case file.

If you would like to review your case file before the hearing, please contact the local Weatherization office \_\_\_\_\_.

Sincerely,

XXX, Program Manager  
Weatherization Programs

Enclosures

cc:     Local Agency  
        Hearing Examiner

(VI-G)(Rev 05/2009)

APPENDIX A -

**U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP)**

<b>Performance Period</b>	July 1 - June 30	Dictated by DOE approved DHCD State Plan for Plan Year (PY)
<b>Scope:</b>	Job cost determined by allowable ACPU for PY funding.  Each job must have a Savings-to-Investment Ratio (SIR) of 1.1 or over.	
<b>Energy Conservation Measures (ECMs):</b>	Each ECM MUST have an SIR of at least 1.1.	ECM's as defined by CFR.440 Appendix A, and determined cost effective by Hancock Energy Audit Tool (HEAT).
<b>Health &amp; Safety:</b>	Allowable cost varies by PY.  No SIR required.	
<b>Incidental Repair Measures:</b>	Must be justified and tied to an ECM in order to be allowable.  Must be added into the overall job cost.	If IRM drops overall job average below 1.1, both the IRM and the ECM it is tied to must be dropped.
<b>Network Partners:</b>	Local Weatherization Agencies (LWA) only	
<b>Allowable Costs:</b>	“Operations” or “Benefits”  “Training & Technical Assistance”  “Administrative”	Refer to Section XX for cost category definitions and policies for billing and reimbursement
<b>Leveraging Funds:</b>	DOE WAP funds cannot be leveraged with EmPOWER LIEEP funds	

<b>Allocation of Funds:</b>	Funds are allocated by county based on the counties percentage of residents at our below poverty level as defined by the most recent census.	Re-allocation is determined quarterly by review of production by the Senior Program Manager and Senior Business Performance Manager. Re-allocations are approved by the Director or Deputy Director of HBEP and the affected entities are notified in writing.
<b>Restriction:</b>	Cannot re-weatherize a home that has been weatherized on or after October 1, 1994.	
<b>Reporting:</b>	<p>Local Network Partners should report to HBEP on a quarterly basis the following information:</p> <ul style="list-style-type: none"> <li>• Expenses by each fund source,</li> <li>• Average cost per unit (ACPU),</li> <li>• Administration and Program expenses,</li> <li>• Health and Safety average,</li> <li>• Number and dollar amount of projects in the pipeline,</li> <li>• Projections for monthly production for the next quarter,</li> <li>• Financial reports including the General Ledger.</li> </ul>	Information should be updated frequently and may be requested more frequently than quarterly.

APPENDIX B -

**EmPOWER Maryland Low-income Energy Efficiency Program (LIEEP) Summary**

<b>Agreement:</b>	State of Maryland mandated legislation overseen by the Maryland Public Service Commission (PSC) provided for a ratepayer surcharge to be assessed to electric customers of five participating utilities for the creation of a suite of programs. One program, the EmPOWER Low-income Energy Efficiency Program is operated by the DHCD Housing and Building Energy Program (HBEP). Memorandum of Agreements (MOAs) are executed between each of the five electric utilities (BGE, Delmarva, PEPCO, Potomac Edison and SMECO) and DHCD HBEP.	
<b>Dollar Amount:</b>	Varies by funding cycle.	The first round of funds was \$ 70.6 million over 3 years from 2012 through 2014. The expiration date for the first round of funding was set for December 31, 2014. <b>BGE</b> = \$ 31,050,000. <b>Delmarva</b> = \$ 8,625,000. <b>PEPCO</b> = \$ 8,625,000. <b>Potomac Edison</b> = \$ 6,325,000. <b>SMECO</b> = \$ 2,875,000.
<b>Period:</b>	Three year cycles from January 1st through December 31st.	
<b>Scope:</b>	Job total must average to meet a Savings-to-Investment Ratio (SIR) of 1.1. Standard Weatherization as reflected in DOE regulations. Health & Safety allowed and does not require SIR. Furnace, boiler or heat pump repairs or replacements – no fuel-switching. If in BGE territory, replacing a fossil fuel furnace is allowed. In every other territory, only electric systems can be repaired/replaced. Incidental repair costs are NOT allowed.	
<b>Network Partners:</b>	Local Weatherization Agencies (LWAs) and State Weatherization Contractors (SWCs). Indirect Costs/Program Support: \$ 300 energy audit fees plus, for LWAs only, a certain percent of project cost determined by HBEP not to exceed \$ 900.	
<b>Leverage of Funds:</b>	Cannot be leveraged with DOE funds. May be leveraged with RGGI/SEIF or LIHEAP/MEAP.	
<b>Allocation of Funds:</b>	Funds have been allocated by utility company based on the number of households eligible to qualify for benefits under the Electric Universal Service Program (EUSP) within the Maryland Department of Human Resources (DHR).	

<b>Re-Allocation of Funds:</b>	Re-allocation is determined by monthly review of production by HBEP. Allocations can be increased or decreased at any time based on performance. Re-allocations are approved by the Director of HBEP and the affected entities are notified in writing.	
<b>Restrictions:</b>	Cannot weatherize a home that was weatherized with EmPOWER funds within the last 5 years.	
<b>Reporting:</b>	Local Network Partners should report to HBEP on a quarterly basis the following information: Expenses by each fund source, Average cost per unit (ACPU), Administrative and Program expenses, Health and Safety expenses, Number and dollar amount of projects in the pipeline, Projections for monthly production for the next quarter, Financial reports including a copy of the General Ledger.	
<b>DHCD HBEP Reporting:</b>	Report to the Maryland Public Service Commission (PSC) and stakeholders. Formal reporting and legislative hearings in front of PSC semi-annually.	

## APPENDIX C -

### REGIONAL GREENHOUSE GAS INITIATIVE (RGGI) – STRATEGIC ENERGY INVESTMENT FUND (SEIF)

<b>Agreement:</b>	Memorandum of Understanding (MOU) between DHCD and the Maryland Energy Administration (MEA).	
<b>Dollar Amount:</b>	Recent annual funds have been in the amount of \$ 1,000,000.	
<b>Period:</b>	From July 1st through December 31st of the following year (18 months).	
<b>Scope:</b>	<ul style="list-style-type: none"> <li>• Weatherization service,</li> <li>• Health &amp; Safety,</li> <li>• Energy Star products,</li> <li>• HVAC/furnace repairs or replacements.</li> </ul>	
<b>Network Partners:</b>	Local Weatherization Agencies (LWAs) & State Weatherization Contractors (SWCs).	
<b>Average Heating</b>	\$ 5,000.	



<b>Unit Cost:</b>		
<b>Health &amp; Safety:</b>	Up to an average of \$ 1,000.	
<b>Indirect Costs/ Program Support:</b>	None.	
<b>Leverage of Funds:</b>	Can be used with all other fund sources.	
<b>Allocation of Funds:</b>	Historically funds have been allocated by county based on the U.S. Census poverty levels. They are then split between the LWAs and the SWCs.	
<b>Re-Allocation of Funds:</b>	Re-allocation is determined by monthly review of production by the Production Manager.	Allocations can be increased or decreased at any time based on performance. Re-allocations are approved by the Director of HBEP and the affected entities are notified in writing.
<b>Reporting:</b>	Local Network Partners should report to HBEP on a quarterly basis the following information: Expenses by each fund source, Number of units completed, Average cost per unit (ACPU), Administration and Program expenses, Health and Safety expenses, Number and dollar amount of projects in the pipeline, Projections for monthly production for the next quarter, Financial reports including General Ledger.	
<b>DHCD HBEP Reporting:</b>	<ul style="list-style-type: none"> <li>• Quarterly to MEA,</li> <li>• Quarterly to Governor's Delivery Unit (GDU).</li> <li>• # units Weatherized,</li> <li>• # Replacement HVACs,</li> <li>• Average Cost of Health &amp; Safety,</li> <li>• Average Dollar Value per Unit,</li> <li>• Estimated Energy Savings (kWh and/or therms).</li> </ul>	

# APENDIX D-

## **Low-income Home Energy Assistance Program (LIHEAP) - Maryland Energy Assistance Program (MEAP)**

<b>Agreement:</b>	Memorandum of Understanding (MOU) between DHCD Housing and Building Energy Programs (HBEP) and the Department of Human Resources (DHR) Office of Home Energy Programs (OHEP).	
<b>Period:</b>	From October 1st through September 30th.	
<b>Scope:</b>	Standard Weatherization according to DOE regulations Health & Safety Incidental Repairs Furnace, boiler or heat pump repairs or replacements	
<b>Crisis Intervention:</b>	Provision of assistance for heating system failures during the heating season called “No Heats”. These will also be assessed for potential weatherization. No A/C repair or replacement	
<b>Network Partners:</b>	Local Weatherization Agencies (LWAs) & State Weatherization Contractors (SWCs).	
<b>Leverage of Funds:</b>	Can be used with all other funds sources.	
<b>Allocation of Funds:</b>	Historically funds have been allocated by county based on the U.S. Census poverty levels. They are then split between the LWAs and the SWCs.	
<b>Re-Allocation of Funds:</b>	Re-allocation is determined by monthly review of production by the Production Manager.	Allocations can be increased or decreased at any time based on performance. Re-allocations are approved by the Director of HBEP and the affected entities are notified in writing.
<b>Reporting:</b>	Local Network Partners should report to HBEP on a quarterly basis the following information: <ul style="list-style-type: none"> <li>• Expenses by each fund source,</li> <li>• Administration and Program expenses,</li> <li>• Number and dollar amount of projects in the pipeline,</li> <li>• Projections for monthly production for the next quarter,</li> <li>• Financial reports including General Ledger.</li> <li>• Number of Crisis applicants served</li> </ul>	
<b>DHCD HBEP Reporting:</b>	<ul style="list-style-type: none"> <li>• <i>Monthly to DHR:</i> Include demographics, date, address, county, type of work, name of LWA/SWC, dollars within 20 days from end of month,</li> <li>• <i>Monthly to DHR:</i> Crisis Report listing referrals,</li> </ul>	

	date/time received and resolved, • <i>Semi-Annually to DHR</i> : Allocation charts, track administration, • <i>Annually to DHR</i> : Household Report by November 1.	
--	--	--

## **APPENDIX D-1A**

### **MBE UTILIZATION AND FAIR SOLICITATION AFFIDAVIT & MBE PARTICIPATION SCHEDULE - INSTRUCTIONS**

#### **PLEASE READ BEFORE COMPLETING THIS DOCUMENT**

This form includes Instructions and the MBE Utilization and Fair Solicitation Affidavit & MBE Participation Schedule which must be submitted with the Bid/Proposal. If the Bidder/Offeror fails to accurately complete and submit this Affidavit and Schedule with the Bid or Proposal as required, the Procurement Officer shall deem the Bid non-responsive or shall determine that the Proposal is not reasonably susceptible of being selected for award.

Contractor shall structure its procedures for the performance of the work required in this Contract to attempt to achieve the minority business enterprise (MBE) subcontractor participation goal stated in the Invitation for Bids or Request for Proposals. Contractor agrees to exercise good faith efforts to carry out the requirements set forth in these Instructions, as authorized by the Code of Maryland Regulations (COMAR) 21.11.03.

**MBE GOALS AND SUBGOALS:** Please review the solicitation for information regarding the Contract's MBE overall participation goals and subgoals. After satisfying the requirements for any established subgoals, the Contractor is encouraged to use a diverse group of subcontractors and suppliers from any/all of the various MBE classifications to meet the remainder of the overall MBE participation goal.

MBE means a minority business enterprise that is certified by the Maryland Department of Transportation ("MDOT"). Only MBEs certified by MDOT may be counted for purposes of achieving the MBE participation goals. In order to be counted for purposes of achieving the MBE participation goals, the MBE firm, including a MBE Prime, must be MDOT-certified for the services, materials or supplies that it is committed to perform on the MBE Participation Schedule.

Please refer to the MDOT MBE Directory at [www.mdot.state.md.us](http://www.mdot.state.md.us) to determine if a firm is certified with the appropriate North American Industry Classification System ("NAICS") Code and the product/services description (specific product that a firm is certified to provide or specific areas of work that a firm is certified to perform). For more general information about NAICS, please visit [www.naics.com](http://www.naics.com). Only those specific products and/or services for which a firm is certified in the MDOT Directory can be used for purposes of achieving the MBE

participation goals. **WARNING:** If the firm's NAICS Code is in graduated status, such services/products may not be counted for purposes of achieving the MBE participation goals. A NAICS Code is in the graduated status if the term "Graduated" follows the Code in the MDOT MBE Directory.

**Guidelines Regarding MBE Prime Self-Performance:** Please note that when a certified MBE firm participates as a Prime contractor on a Contract, a procurement agency may count the distinct, clearly defined portion of the work of the Contract that the certified MBE firm performs with its own workforce toward fulfilling up to, but no more than, fifty-percent (50%) of the MBE participation goal (overall), including up to one hundred percent (100%) of not more than one of the MBE participation subgoals, if any, established for the Contract.

In order to receive credit for self-performance, an MBE Prime must be certified in the appropriate NAICS code to do the work and must list its firm in the MBE Participation Schedule, including the certification category under which the MBE Prime is self-performing and include information regarding the work it will self-perform.

For the remaining portion of the overall goal and the remaining subgoals, the MBE Prime must also identify on the MBE Participation Schedule the other certified MBE subcontractors used to meet those goals or request a waiver.

These guidelines apply to the work performed by the MBE Prime that can be counted for purposes of meeting the MBE participation goals. These requirements do not affect the MBE Prime's ability to self-perform a greater portion of the work in excess of what is counted for purposes of meeting the MBE participation goals.

Please note that the requirements to meet the MBE participation overall goal and subgoals are distinct and separate. If the Contract has subgoals, regardless of MBE Prime's ability to self-perform up to 50% of the overall goal (including up to 100% of any subgoal), the MBE Prime must either commit to other MBEs for each of any remaining subgoals or request a waiver. As set forth in Attachment D1-B Waiver Guidance, the MBE Prime's ability to self-perform certain portions of the work of the Contract will not be deemed a substitute for the good faith efforts to meet any remaining subgoal or the balance of the overall goal.

In certain instances where the percentages allocated to MBE participation subgoals add up to more than 50% of the overall goal, the portion of self-performed work that an MBE Prime may count toward the overall goal may be limited to less than 50%. Please refer to GOMA's website

([www.goma.maryland.gov](http://www.goma.maryland.gov)) for the MBE Prime Regulations Q&A for illustrative examples. Subject to items 1 through 5 above, when a certified MBE performs as a participant in a joint venture, a procurement agency may count a portion of the total dollar value of the Contract equal to the distinct, clearly defined portion of the work of the contract that the certified MBE performs with its own workforce towards fulfilling the Contract goal, and not more than one of the Contract subgoals, if any.

As set forth in COMAR 21.11.03.12-1, once the Contract work begins, the work performed by a certified MBE firm, including an MBE prime, can only be counted towards the MBE participation goal(s) if the MBE firm is performing a commercially useful function on the Contract. Please refer to COMAR 21.11.03.12-1 for more information regarding these requirements.

If you have any questions as to whether a firm is certified to perform the specific services or provide specific products, please contact MDOT's Office of Minority Business Enterprise at 1-800-544-6056 or via email to [mbe@mdot.state.md.us](mailto:mbe@mdot.state.md.us) sufficiently prior to the submission due date.

**WORKSHEET:** The percentage of MBE participation, calculated using the percentage amounts for all of the MBE firms listed on the Participation Schedule **MUST** at least equal the MBE participation goal and subgoals (if applicable) set forth in the solicitation. If a Bidder/Offeror is unable to achieve the MBE participation goal and/or any subgoals (if applicable), the Bidder/Offeror must request a waiver in Item 1 of the MBE Utilization and Fair Solicitation Affidavit (Attachment D-1A) or the Bid will be deemed not responsive, or the Proposal determined to be not susceptible of being selected for award. You may wish to use the Subgoal summary below to assist in calculating the percentages and confirm that you have met the applicable MBE participation goal and subgoals, if any.  
Subgoals (if applicable)

Total African American MBE Participation: \_\_\_\_\_ %  
Total Asian American MBE Participation: \_\_\_\_\_ %  
Total Hispanic American MBE Participation: \_\_\_\_\_ %  
Total Women-Owned MBE Participation: \_\_\_\_\_ %

Overall Goal Total MBE Participation (*include all categories*): \_\_\_\_\_ %



# **DHCD - SUBGRANTEE FISCAL & PROGRAMMATIC MANAGEMENT MONITORING TOOL**

Maryland Department of Housing and Community  
Development (DHCD) Housing and Building Energy  
Programs

United States Department of Energy (DOE)  
Weatherization Assistance Program (WAP)



# T

his Subgrantee Fiscal and Programmatic Management Monitoring Tool is intended to help guide DHCD fiscal and program monitoring staff ensuring compliance of the Department of Energy Weatherization Assistance Program (DOE-WAP) and enhance adherence to program requirements by subgrantees. It includes checklists and activities to be performed by both grantee and subgrantee in the various stages of the monitoring phase structured in segments.

The monitoring tool is categorized in two major segments – Fiscal and Programmatic. The fiscal monitoring segment addresses the Financial Management aspects of the program and is outlined in three sections. Section A - Pre-Monitoring Checklist to be completed and submitted by Subgrantees two weeks prior to DHCD monitoring staff's site visit. Section B - a Background Checklist to be performed by DHCD monitoring staff prior to visit. And Section C - an onsite monitoring checklist to be performed by DHCD monitoring staff during the actual visit.

Similarly, the programmatic monitoring segment deals with technical and administration aspects of the program and is outlined in eleven sections (Section D through Section N).

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## **SUBGRANTEE PROGRAM MATERIALS TO HAVE AVAILABLE**

During the on-site monitoring visit, the Grantee monitor may request to review, among others, one or more of the following program materials or requirements while at the Subgrantee's office.

1. Amended Grantee Award(s) from DOE (most recent)
2. Application to DHCD (most recent) including the Work Plan
3. Chart of Account
4. Client Files (for period under review)

5. Completed Energy Audits, Work Orders and Inspections
6. Contract Agreement(s) between Grantee and Subgrantee
7. Contracts with subcontractors
8. Cost Allocation Plan
9. Costs and Fixed Price Lists - Materials - Services (Audits, Inspections, etc.)
10. DHCD Directives issued since the most recent update to the POM
11. Grantee Pre-Monitoring Tool or Instrument
12. Grantee State Plan (most recent version)
13. Grantee's Weatherization Policies and Procedures Manual (POM)
14. Insurance Certification (Including Subcontractors)
15. Inventory Tracking Materials (if applicable)
16. Invoices (Subgrantee to Grantee and subcontractors to Subgrantee)
17. Marketing Materials
18. MHIC License
19. Most recent documentation of Grantee monitoring visit
20. Procurement documents to verify competition (solicitation, bid process, selection process)
21. Subgrantee Financial Management Manual including Procurement Manual
22. Subgrantee Policies and Procedures Manual/ Employee Handbook

## **FISCAL MONITORING**

**SECTION A: Pre-Monitoring Checklist to Be Completed and Submitted By Agencies Two Weeks Prior To the Monitoring Visit.**

DHCD WAP Monitoring Worksheets

Agency /Subgrantee:	
Satellite Agency:	
Agency staff this checklist sent to:	
Date this checklist sent to Agency:	
DHCD Staff this checklist sent by:	

**Section A – Agency Profile: (To be completed by Agency and submitted to the Compliance Officer at the HBEP Office two weeks prior to the monitoring visit.)**

Note: Per the State's POM, any significant changes from the approved subgrantee plan must have prior written state approval.

**A. Board Governance and Management**

1. **Describe how the board of directors or other governing body** is involved with the grant program administration. (Methods and frequency of communication). Are governing board and management staff adequately informed regarding financial and performance status of grant?

2. **Please describe any changes in the Org Chart during the past year?** Yes ☐ No ☐

Please provide the most recent Organizational Chart.

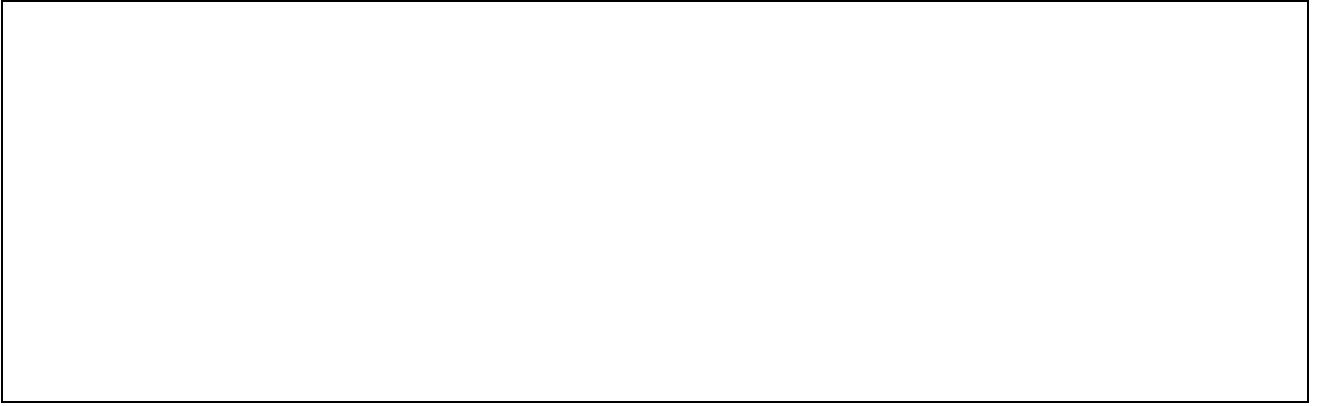
**3. Records Policy and Procedures**

Are there written personnel policies and procedures? Yes ☐ No ☐

If Yes, please include a copy to the HBEP Office if one is not already on-file or if on-file information has changed within the past year.

If No, provide a description of the practices in use and a timeline for developing written personnel policies and procedures.





## Section A – Agency Profile (continued)

### 4. Qualifications & Experience:

- a. Please list any new staff in key positions.

Name	Title

- b. How does agency orient new or promoted staff?

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- c. Any training/TA needs? (These may be Field or Office training that can be addressed while State Staff are on-site for monitoring/inspection, or needs that should be addressed in separate trainings.)

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## B. Procurement

Reference: 2 CFR 200.141-148 Non-Profits/2 CFR 200.236 Local Govts., in addition to DHCD POM

1. Does the agency have written purchasing policies and procedures? Yes ☐  
No ☐

If No, provide a description of the practices currently in use and a timeline for developing written purchasing policies and procedures.

List goods and services procured formally during the active grant period:

GOODS(Items)	SERVICES(Vendors)
Ex. Insulation	


## Section A – Procurement (continued)

2. Segregation of Duties in Procurement – List the name and title of the person that performs each of the following duties:

Duties	Name & Position
Solicits Bids/Proposals (Prepares Documents)	
Selects Vendors/Contractors	
Initiates the Purchase	
Signs Purchase Orders	
Verifies Receipt of Goods	
Verifies Services are Complete	
Reconcile PO's with Invoices	
Verify invoices for Goods with Price Agreements	
Verify invoices for Services with Price Agreements	
Authorizes Payments of Goods and Services	
Signs Checks for Payments of Goods and Services	

(The primary focus of this checklist is maintenance of internal controls over the procurement process. For example, same person should not be able to select vendors/contractors and make purchases or make purchases and verify their receipt.)

3. Does agency have a written conflict of interest policy regarding procurement?

Yes ☐

No ☐

How are staff members made aware of this policy?

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4. Does agency have any sole source (non-competitive) procurement situations? Yes ☐ No ☐

Do any exceed the \$ thresholds for requiring State approval?

Yes ☐ No ☐

(Thresholds – Non-Profits and Governments: \$5,000)

If yes, is an authorization letter from State on file?

Yes ☐ No ☐

### C. Financial Accounting & Control

Reference: 2 CFR 200.120 & 121 Non-Profits/2 CFR 200.220 Local Govts.

## 1. Background

- a. Who determines account coding for invoiced payments?

Name	Title

- b. Is there a written chart of accounts? Yes ☐ No ☐

Agency to submit current chart of accounts to State Office prior to monitoring visit.

- c. Are funding sources accounted for separately? Yes ☐ No ☐

- d. Are there any exceptions to the chart of accounts when coding invoices? Yes ☐ No ☐

If yes, explain:

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- e. Are there written policies and procedures regarding the financial management activities (coding, maintaining ledger and journals, allocation of costs, supporting documentation, report preparation, handling cash, procuring and authorizing payments)? Yes ☐  
No ☐

If Yes, please submit a copy to the HBEP Office.

If No, provide a description of the practices in use and a timeline for developing written policies and procedures for financial management activities.

## 2. Checks and balances - Who performs the following?

Duties	Name & Position
Receives Cash & Checks	
Logs in the Cash/Checks received	
Prepares Expenditure Request	

Review Expenditure Request	
Authorizes Payment	
Signs Checks	
Prepares Journal Entries/Ledgers	

## Section A – Financial Accounting &amp; Control (continued)

### 3. Travel

- a. Does the agency maintain a written travel policies and procedures? Yes ☐ No ☐

If Yes, please send a copy to the State Office for the agency's on-file information.

If No, describe practices in use and agency's plans to develop written travel policies and procedures.

- b. Travel Policies and Procedures - Controls:

Controls	Yes	No
Is approval obtained prior to travel?	<input type="checkbox"/>	<input type="checkbox"/>
Does each employee make their own reservations for Lodging, Airfare, Rental Car, etc.?	<input type="checkbox"/>	<input type="checkbox"/>
Are there procedures in place for the use of Agency credit cards?	<input type="checkbox"/>	<input type="checkbox"/>
Are travel expense reports submitted by the employee that include, date of travel, Origin & Destination, Purpose of Travel?	<input type="checkbox"/>	<input type="checkbox"/>

#### 4. Capital Equipment

Reference: 2 CFR 200.134 Non-Profits/2 CFR 200.232 Local Govts.

Please send your most recent capital equipment inventory list to the State Office to update the on-file information.

Has a physical inventory of equipment been performed by the agency within the last two years?

If No, date of the last physical inventory \_\_\_\_\_

Has any equipment been disposed in the last 12 months?

What was the disposal method (i.e. Closed bid, Auction)



## Section A – Insurance

### D. Insurance

1. Name all providers insurance, agent and type of policy:

Provider/Agent	Type of Insurance	Amount of Coverage

2. Is governing body covered by errors and omissions?    Yes ☐                      No ☐

Limits: \_\_\_\_\_

3. Are certain employees bonded or is there an overall bond for all employees?    Yes ☐    No ☐

4. Does the agency have Workman's Compensation documentation of coverage?    Yes ☐    No ☐

**Section B: Background - To be completed by State Monitor  
prior to visit.**

**SECTION B:****1. Past issues to be addressed during this monitoring:****a. From previous monitoring:**

List outstanding items:

Item	Comment

**2. Other issues:**

- a) Unresolved A-133 Audit findings?
- b) Suggestions from independent auditors? (Mgmt. letter, etc.)

**3. Current issues to be addressed during this monitoring (using current Hancock Energy Software database #s):**

Item	Actual	Planned
Total Production		
H&S Mat'ls/Unit		
EC Materials/Unit		
DOE – per unit average		
Total – per unit average		

## Section B: Background (continued)

### 4. Special conditions on grant? (see award letter)

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### 5. Review of Section One: Agency Profile

#### A. Personnel

1. **Staffing Structure** – Review current organization chart and staff chart that shows allocation of salary/wages within Wx grant. Objective: Verify that this matches Project Plan as approved.

(Compare with Org. Chart and Budget provided in Subgrantee Application/Form 990 can be obtained for reference.)

Note: The categories to which a position's wages/salary is allocated should reflect the duties outlined in the job description. Some duties are allocable to more than one category, such as T&TA or Administration or Support. Agencies should be encouraged, when feasible, to allocate to as few categories as possible.

Does this match plan as approved?      Yes ☐      No ☐

Comments:

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#### 2. Personnel Procedures

If agency maintains written personnel policies and procedures, evaluate based on the table below:

Features of adequate personnel records and procedures include:	Yes	No
Are hiring, dismissals, or change in pay authorized by the personnel director or another authorized official of the organization?	<input type="checkbox"/>	<input type="checkbox"/>
Are wage and salary schedule covering all employees established?	<input type="checkbox"/>	<input type="checkbox"/>
Are there description of duties and responsibilities for all employees?	<input type="checkbox"/>	<input type="checkbox"/>
Are individual personnel file maintained for each employee in the agency? It must contain at a minimum: resume or application, position description, hiring information, appropriate tax forms, insurance forms, copies of any personnel actions, and copies of personnel evaluations and/or appraisals.	<input type="checkbox"/>	<input type="checkbox"/>

**Employee Files Reviewed:**

<b>Name</b>	<b>File Meets Requirements</b>	<b>Missing Requirements</b>

## Section B: Background (continued)

### B. Insurance

(Reference: A-122, part B, item 18; A-87, part B, item 23)

Note: Insurance minimums from the Maryland Procurement Manual are as follows:

- a. Commercial General liability: \$1,000,000 per occurrence; aggregate at least \$1 Million; State to receive a certificate verifying insurance; prevention of cancellation without 30 days prior notice to State via certified mail.
- b. Auto: \$1,000,000 minimum combined single limit.
- c. Workman's Comp: \$500,000 per accident; per disease. \$500,000 limit on disease

Type of Insurance	\$ Amount	Policy Period	Type of Policy
Automobile			
*General Liability			
Workman's Compensation			

\*ensure that there are no exclusion clauses for doing Wx in a home with lead paint when the energy efficiency measure requires the disturbance of painted surfaces. (WPN01-10 May 10, 2001)

### C. Capital Equipment

Capital equipment records must have all of the following information.

Description	In Compliance?
Description of the Item	Yes <input type="checkbox"/> No <input type="checkbox"/>
Manufacturer's serial number, model #, or other identification #	Yes <input type="checkbox"/> No <input type="checkbox"/>
Source of funding to purchase Equipment.	DOE <input type="checkbox"/> LEAP <input type="checkbox"/> Other _____
Title is vested with:	Agency <input type="checkbox"/> Federal Govt. <input type="checkbox"/>
Acquisition date (or date received, if the equipment was furnished by the federal government) and cost:	Yes <input type="checkbox"/> No <input type="checkbox"/>
Information which allows calculation of the percentage of federal participation in the cost of the equipment	Yes <input type="checkbox"/> No <input type="checkbox"/>
Location and Condition of the equipment and the date the information was reported	Yes <input type="checkbox"/> No <input type="checkbox"/>
Unit Acquisition Cost	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the federal	Yes <input type="checkbox"/> No <input type="checkbox"/>

awarding agency for its share.	
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## **Section C: – On-Site Monitoring**



<b>Agency:</b>	
<b>Satellite Agency:</b>	
<b>Date of Admin Monitoring:</b>	
<b>DHCD Monitoring Conducted by:</b>	<b>Title:</b>
<b>Agency Personnel in Attendance:</b>	<b>Title/Contact Info:</b>

**Follow-up Needed?**

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**Training Needs?**

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## A. Procurement

### Records to Review:

- Procurement Policies and Procedures Manual
- Financial Policies and Procedures Manual
- Solicitation Records
- Subcontractor Records

### 1. Review of Written Policies and Procedures:

Are the following included in the procurement procedure?	YES	NO	N/A
Development of the bid/proposal package			
Solicitation of bids/proposals			
Bid/proposal acceptance and analysis			
Selection of vendor/subcontractor			
Protest procedures			
Records management			
Subcontractor management			
Subcontractor closeout			
If applicable, list areas of the procurement procedure to strengthen:			

### 2. Review of Actual RFP's: (at minimum 2 RFP's) (as referenced on page 3 of subgrantee checklist)

RFP's Reviewed:

Item	Meets Federal/State/Subgrantee Requirements	Comments

Are the following included in the RFP?	YES	NO	N/A
Detailed description of goods & services			
Minimum Standards/Requirements			
Date, Time & Place for submitting response			
Operating method of agency/program			
Payment method/System (timeframe, inspections, call backs, etc.)			
Disclaimer/waiver provisions			
Appeals Process			

3. Have bid specifications for vehicles and equipment greater than \$5,000 been submitted to DHCD for review and comment prior to their use? Yes ☐ / No ☐
4. Check documented methods used for public notification of requests (Reference: 10CFR600.236

and A.110, Attachment O part (3) (c) (3):

- ☐ Newspaper advertisements
- ☐ Posted notices
- ☐ Mailings to potential responders
- ☐ Other (list):

## Section C – On-Site Monitoring (continued)

5. How does agency notify small, minority, and women owned businesses that bidding opportunities are available? (2 CFR 200.144(b) & 2 CFR 200.236(e))

6. Evaluation of Responses to the Request for Bids (Reference: 2 CFR 200.236(b)(3) and 2 CFR 200.146):

Is evaluation documented? Yes ☐ No ☐

Are criteria used to evaluate bids listed in request? (Note differences in criteria between request and evaluation, if any.) Yes ☐ No ☐

Does documentation support selection? Yes ☐ No ☐

### B. Contracting (Reference: 10CFR600.435 (L), A.110 (4), DHCD POM):

1. Are fully executed contracts or vendor agreements on file for each formal procurement action? Yes ☐ No ☐

2. How does agency inform vendor that bid has been accepted (and thus secure commitment to bid prices)?

3. Does Contract correspond with information set forth in proposal/bid specifications (payment system, operating systems, standards, etc.)? Yes ☐ No ☐

4. Does agency always inspect non-employee work prior to making payments? Yes ☐  
No ☐

If no, why?



## Section C – On-Site Monitoring (continued)

### C. Inventories:

#### Records to review:

Inventory Records

General Ledger

1. How does agency maintain control over inventory? (Have agency walk you through the process of how inventory goes from storage to trucks (per audit? Prescribed amount of materials per vehicle?), how it is recorded on the audit form, how it is charged to the job, etc.)

2. Wastage: How is this documented? (ledger in inventory system for inventory wastage; other)

#### 3. Storage

- |   |     |                          |    |                          |
|---|-----|--------------------------|----|--------------------------|
| a. Adequate space (size, location)                            | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b. Number of facilities: _____                                |     |                          |    |                          |
| c. Reasonably accessible for program staff?                   | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| d. Adequate security (theft, damage, exposure)?               | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| e. Adequate distinction between grant sources, if applicable? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

4. Have inventories been physically counted? Yes ☐ No ☐

If no, why?

## Section C – On-Site Monitoring (continued)

### C. Inventories (continued):

5. Have general ledger control accounts been adjusted to agree with physical inventories?

Yes ☐ No

☐

If no, when will they be adjusted?

6. What is the percentage of inventory variance and what is the procedure for resolving variances?

7. Is there adequate distinction between grant sources, if applicable?

Yes ☐ No

☐

If no, what is the plan to resolve issue?

#### D. Production and Expenditures

GENERAL	YES	NO
a. Does the agency have a financial procedures manual?  <b>Record to Review:</b> 1. Financial Procedures Manual – Complete <b>Attachment A</b>		
b. Do the ledger control accounts agree with agency reports? If no, why not: _____ _____ _____		
c. Have accounting principles been applied on a consistent basis? If no list the infractions: _____ _____ _____  <b>Records to Review:</b> 1. General Ledger 2. Agency Reports 3. Cost Allocation Plan, Accounts Payables, and General Journal Entries.		



**D. Production and Expenditures (continued)**

<b>CASH</b>	<b>YES</b>	<b>NO</b>				
<p>a. Have bank balances been reconciled with book balances? If no, when was the last bank reconciliation conducted: _____ _____ _____</p> <p><b>Records to Review:</b> 1. Bank Statements 2. Bank Reconciliation</p>						
<p>b. Has a proper cutoff of cash transactions been made? If no, list the unallowable expenses: _____ _____ _____</p> <p><b>Records to Review:</b> 1. Accounts Payable</p>						
<p>c. Does the agency minimize the cash on hand? If no, how much excess cash on hand does the agency have? ____ _____</p> <p><b>Records to Review:</b> 1. Advances 2. Expenditures</p>						
<p>d. Does cash received Year-to-Date equal amount recorded as disbursed by State?</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"><b>\$ Disbursed by DHCD</b></td> <td style="width: 50%;"><b>\$ Received by Agency</b></td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	<b>\$ Disbursed by DHCD</b>	<b>\$ Received by Agency</b>				
<b>\$ Disbursed by DHCD</b>	<b>\$ Received by Agency</b>					
<p>e. Advance – assess cash flow and advance amount. Is there adequate cash on hand for DHCD Wx activities (not impeded by cash flow?) Or is there too much cash (accruing too much interest)?</p>						
<p>f. Interest on advances – Is it being used for program-related expenses? _____ _____</p>						

RECEIVABLES	YES	NO
<p>a. Have the receivables from funding sources been properly recorded? If no, what is the variance? _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger 2. General Journal</p>		
<p>b. Are there any receivables that have not been recorded? If yes, does the agency maintain some type of record of receivables? _____ _____ _____</p> <p><b>Records to Review:</b> 1. Reports to the State 2. General Ledger and General Journal</p>		
<p>c. Are interfund receivables recorded? Detail specific interfund transfers: _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger</p>		
<p>d. Are there any receivables from employees or other parties? If yes, what is the agency policy? _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger 2. Financial Procedures Manual</p>		

REVENUE GENERATING/PROGRAM INCOME	YES	NO
a. Is the agency generating program income related to weatherization programs? If yes, describe program _____ _____ _____		
b. Has a separate account been established for recording revenue generating activities?		
c. Does the agency perform weatherization related work in addition to the work under the grants?		
d. Is any of the equipment purchased by grant funds used for non-grant work?		
Comments: <div style="border: 1px solid black; height: 60px; width: 100%;"></div> <b>Records to Review:</b> 3. General Ledger 4. General Journal		
PROPERTY AND EQUIPMENT	YES	NO
a. Are records maintained in accordance with government regulations? If no, what can your agency do to strengthen your system? _____ _____ _____ <b>Records to Review:</b> 1. Property and Equipment Records		
b. Was a physical inventory taken of all property and equipment? If no, what can your agency do to strengthen your system? _____ _____ _____		
c. Are vehicle maintenance records maintained?		
d. Who is in charge of maintaining the vehicles?		
e. Are vehicle records kept up to date?		
f. Are mileage logs kept on each vehicle?		
g. Are property and equipment recorded in the general ledger? If no, explain: _____ _____ _____		

<b>Records to Review:</b> 1. General Ledger		
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PAYABLES	YES	NO
<p>a. Have all payables been reflected? If no, when will they be adjusted? _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger</p>		
<p>b. Have all significant accruals, such as payroll taxes, annual leave, and provisions for pension been reflected? If no, what is the agency's policy? _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger</p>		
EXPENSES – COMPLETE ATTACHMENT B	YES	NO
<p>a. Are purchases and expenses recognized in the appropriate period? (within 30 days from receipt of invoice, match date of check and date of invoice received from vendor) If no, explain: _____ _____ _____</p> <p><b>Records to Review:</b> 1. Source Documentation 2. Accounts Payable/Cash Disbursement Journal</p>		
<p>b. Are purchases and expenses classified properly? If no, list improperly classified expenditures: _____ _____ _____</p> <p><b>Records to Review:</b> 1. General Ledger 2. Source Documentation</p>		
<p>c. Are all expenditures supported by source documentation? If no, list: _____ _____ _____</p>		

d. Cost Allocation Plan (space costs distributed to grant budget categories, shared office or other equipment). Are there written cost allocation plans? (Written plan necessary as supporting documentation for allocating the cost to the grant.)		
e. Are the plans reasonable? Comments:		
f. Does the agency charge the grant for the use of any equipment or space (vehicles, copiers, telephone, office, warehouse, etc.)? If yes, indicate ownership and how charges are set and allocated to grants and grants budget categories?		
g. Does agency have an indirect cost plan?		
h. Does the plan include a rate applied to the weatherization grant(s)?		
i. If yes, who approved plan with rate (cognizant agency)? When last approved? (date)		
j. Do the financial statements accurately reflect the purchases and expenses? If no, how can the agency strengthen the system? _____ _____ _____  <b>Records to Review:</b> 1. Financial Statement		
<b>PAYROLL</b>	<b>YES</b>	<b>NO</b>
a. Describe or attach a sample employee timesheet.  <div style="border: 1px solid black; height: 150px; width: 600px; margin-top: 10px;"></div>		

b. Is payroll supported by time and attendance record "Timesheets", reflecting distribution of activity expended by the employee (field and/or admin)?					
c. Does the record supporting the payroll charges to the grant include after-the-fact documentation of the work performed?					
d. Do time sheets for each employee include signatures and date of the following?					
Employee	Supervisor	Signed & Dated	Comments		
e. Adequate distinction between grant sources, if applicable?					
Comments:					
f. How often are timesheets being prepared? _____					
g. How does the agency set rates for staff positions (government survey, classification system, etc.):					
_____					
—					
h. Does agency have any type of incentive pay system, such as bonuses, temporary increases, commissions, etc?					
Describe:					

<p>i. Does agency offer other incentives (awards, etc.)? If yes, describe:</p> <div data-bbox="190 300 1234 420" style="border: 1px solid black; height: 57px; margin: 10px 0;"></div> <p><b>Records to Review:</b></p> <ol style="list-style-type: none"> <li>1. Time cards</li> <li>2. Refer to A-87, Att B, part 10; or A-122, Att B, part 6 for compliance</li> </ol>		
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INTERNAL CONTROL	YES	NO
<p>a. Is there segregation between the individuals who receive the funds, records the funds, and authorize the expenditure of funds? If no, what can be done by the agency to strengthen your system?</p> <p>_____</p> <p>_____</p> <p>_____</p> <p><b>Records to Review:</b></p> <p>1. Financial Procedures Manual</p> <p>2. Individual Expenditures</p>		
<p>b. Is there segregation between the individuals who authorize the expenditure, prepare the check, and sign the checks? If no, what can the agency do to strengthen your system? _____</p> <p>_____</p> <p><b>Records to Review:</b></p> <p>1. Financial Procedures Manual</p> <p>2. Individual Expenditures</p>		
<p>c. Is there segregation between the individuals who prepare the checks and mail the checks? If no, what can the agency do to strengthen the system?: _____</p> <p>_____</p> <p>_____</p> <p><b>Records to Review:</b></p> <p>1. Financial Procedures Manual</p> <p>2. Individual Expenditures</p>		
<p>d. Is there a review of expenditures to ensure that the costs are allowable and allocable to the proper funding source? If no, what can the agency do to strengthen the system? _____</p> <p>_____</p> <p>_____</p> <p><b>Records to Review:</b></p> <p>1. Financial Procedures Manual</p>		
<p>e. Are there adequate controls to ensure the security of blank checks, signature plates and inventory? If no, what can the agency do to strengthen the system? _____</p> <p>_____</p> <p>_____</p> <p>_____</p>		

INTERNAL CONTROL	YES	NO
<p>f. Is there a control to ensure that all goods and services have been received prior to payment?          If no, What can the agency do to strengthen the system? _____          _____          _____</p> <p><b>Records to Review:</b>          1. Source Documentation          2. Receiving Reports</p>		
AUDIT	YES	NO
<p>a. Is the agency subject to the Single Audit Act?</p>		
<p>b. Were there any management findings?          If yes, please list. How does each of the findings impact the weatherization program? _____          _____          _____          _____</p>		
<p>c. Were there questioned or disallowed costs for the weatherization program?          If yes, list each questioned and/or disallowed cost: _____          _____          _____          _____</p> <p><b>Records to Review:</b>          1. Agency Audit</p>		

## Attachment A – Review of Financial Management Procedures

Is there a policy and/or procedure that address each of the following?

General	Yes	No	Comments
1. Responsibility for authorization of financial policies and procedures.			
2. Responsibility for financial management.			
3. Separate financial duties and responsibilities so that no one employee has sole control over cash receipts; disbursements; payroll; or reconciliation of bank accounts.			
4. Employee dishonesty coverage.			
5. Review of Financial Policies and Procedures.			
Cash	Yes	No	Comments
1. Opening of mail.			
2. Endorsement of checks.			
3. Report of cash receipts and documentation of receipts.			
Cash Disbursements	Yes	No	Comments
1. Authorization of expenditures.			
2. Review of invoices.			
3. Approval of invoices for payment.			
4. Maintenance of checks.			
5. Maintenance of voided checks.			
6. Preparation of checks.			
7. Signing of checks.			

<b>Bank Reconciliation</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Individual designated to receive and open bank statements.			
2. Individual designated to reconcile the bank statement.			
3. Individual designated to review the bank reconciliations.			
4. Policy on appropriate action for checks outstanding over 90 days.			
<b>Purchasing</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Procedures for small purchases.			
2. Procedures for large purchases.			
3. Prior approval of purchases.			
<b>Payroll</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Requirement that all hourly staff complete a time sheet.			
2. Individual(s) designated to approve time sheets.			
3. Individual designated to review paychecks or direct deposits prior to distribution.			
4. Individual designated to distribute paychecks.			
5. Policy for payment of individuals that have resigned or been terminated.			
6. Individual designated to prepare and transmit the payroll tax reports.			
7. Individual designated to review tax deposits.			
<b>Travel</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Requirement for prior authorization of all travel.			
2. Requirement for completion of travel expense claim for all travel.			
3. Requirement for submission of travel expense claim a specific number of days after travel is complete.			

<b>Equipment</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Dollar threshold for classification of equipment.			
2. Equipment records that meet government regulations.			
3. Personal property control form for equipment issued to staff.			
4. Depreciation schedule.			
5. Individual designated to perform an annual physical reconciliation of all equipment.			
<b>Books of Original Entry</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Requirement that a double entry system for account for all funds be maintained.			
2. Documentation requirements for all financial activities.			
3. Mandatory monthly reports that include a Balance Sheet, Statement of Activities, and Statement of Activities by project and/or funding source.			
<b>Budget</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Individual(s) designated to prepare the budgets.			
2. Individual or Board Members authorized to approve budgets.			
3. Procedures for changes in the budget.			
<b>Records Retention</b>	<b>Yes</b>	<b>No</b>	<b>Comments</b>
1. Does agency retain all pertinent records for three years following the close of the grant year?			
2. Where are records located?			
3. Are records in a safe, protected and secured area?			

## ATTACHMENT B

## REVIEW OF EXPENDITURES

[illegible]

## **PROGRAMMATIC MONITORING**

## **SECTION D: SUBGRANTEE REVIEW**

**1. Does the Subgrantee have available all of the documents listed in the Pre-Monitoring Program Materials Checklist? *Source Documentation: Grantee Monitoring Tool* *Material Review: Program documents (see page 2)***

**2. How is the Subgrantee staffing consistent with the staff plan identified in the most recent response to the Request for Application (RFA)? For example, are the Subgrantee's key personnel performing the duties originally proposed within the grant application? Identify any changes and updates to Subgrantee staffing. *Source Documentation: Application, Budget* *Material Review: Personnel Section, Subgrantee staffing plan/Organizational Chart with Roles/Responsibilities***

**3. Has the Subgrantee's organizational structure changed since the application was submitted or amended? *Source Documentation: Application to DHCD* *Material Review: Application Package, Organizational charts for Subgrantee, Board of Directors and subcontractors***

**4. What system does the Subgrantee have in place to ensure their staff and subcontractors have access to all relevant materials needed to effectively carry out the Weatherization Assistance Program activities? *Source Documentation: 10 CFR 440.14: State Plans CFR 440.24: Recordkeeping 10 CFR 440.23(c): Oversight, Training and Technical Assistance* *Material Review: Grantee Award State Plan, Most recent Subgrantee fiscal and programmatic monitoring report from the Grantee, Copy of the Subgrantee policy and procedures manual, Financial software, Equipment, Materials, Training***

**5. Is the Subgrantee demonstrating it is adhering to the Work Plan submitted with the Application? *Source Documentation: Application Work Plan* *Material Review: Current Work Plan***

**6. Is the Subgrantee maintaining a running average cost per unit (ACPU)? Is the average within an acceptable range? *Source Documentation: State Plan, Application* *Material Review: Paid Invoice Reports, Current ACPU***

**7. Has the Subgrantee executed their subcontractor contracts timely enough that there are no delays in production? Or what issues have developed to cause significant delays for contracts to be executed? *Source Documentation and Material Review: Dates on subcontractor contracts***



## **SECTION E: EQUIPMENT/INVENTORY/MATERIALS**

**8. How is the Subgrantee verifying the Subgrantee's vehicles, equipment, and tools are being used in an appropriate and adequate manner to ensure cost-effective delivery of services?** *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.16: Program requirements 10 CFR 440.18: Allowable expenditures 10 CFR 440.23(d): Oversight, T&TA 10 CFR 440.24: Recordkeeping 10 CFR 600.232: Equipment WPN 11-1.5.17: Vehicle Purchases WPN 09-1B, 4.0: Grantee Program Oversight WPN 10-9: Monitoring (Clarifying 09-1B, 4.0) **Material Review:** Physical Inventory, Review Inventory List/System, Procurement procedures/requests, Monitoring tool, Production schedule, Vehicle logs

## **SECTION F: ELIGIBILITY**

**9. Describe the Subgrantee's tracking process to ensure homes are accurately identified as eligible for re-weatherization (confirming the new date, etc.)?** *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.15: Subgrantees 10 CFR 440.16: Min. Program Requirements 10 CFR 440.22: Eligible dwelling units 10 CFR 440.24: Recordkeeping Master File B.1.2 WPN 11-1.5.16: Reweathering WPN 08-5: Weatherization Disaster Planning Relief WPN 99-7: WAP Eligibility Criteria **Material Review:** State Plan Monitoring Plan Monitoring Reports Client File Review/Eligibility paperwork Previous weatherization work order/invoices Database capabilities (tracking historical data)

**10. Explain how the Subgrantee complies with income eligibility requirements. Identify what procedures the Subgrantees must follow.** *Source Documentation:* 10 CFR 440.16: Minimum Program Requirements 10 CFR 440.22: Eligible Dwelling Units Application Package, III.1 WPN 10-15: Eligibility of Multi-Family WPN 10-15a: Accrual of Benefits WPN 10-18: Income Guidelines WPN 11-1. 5.2: Multi-family Eligibility WPN 11-1.5.8: Eligibility Levels **Material Review:** Policies on income documentation and eligibility. Completed monitoring files to determine if eligibility is part of Subgrantee oversight.

**11. How does the Subgrantee ensure compliance with the priority criteria for serving eligible applicants (identified in the approved State Plan)? Specific examples include: a. High Energy Users b. High Energy Burden c. Elderly d. Disabled e. Households with Children f. Other State-Identified Priorities** *Source Documentation:* 10 CFR 440.16: Minimum Program Requirements 10 CFR 440.22: Eligible Dwelling Units Application Package, III.1 WPN 11-1.5.2: Multi-family Eligibility WPN 10-15: Eligibility of Multi-Family WPN 10-15a: Accrual of Benefits WPN 10-18: Income Guidelines WPN 11-1.5.10: Determining Priority Service **Material Review:** Subgrantee plan for priority criteria. Grantee policy on eligibility priority rating. Be sure rating system matches plan and regulations.

**12. Does the Subgrantee perform weatherization services for ineligible recipients (e.g., for-**

profit subsidiary, utility-based programs, HUD)? If yes, how does the Grantee ensure weatherization equipment and material is properly accounted for. **Source Documentation:** 10 CFR 440.24: Recordkeeping 2 CFR 200.220: Standards for financial mgmt systems 2 CFR 200.225: Program Income **Material Review:** Budget/Accounting Systems Inventory Lists

**13. Does the Subgrantee maintain the proper documentation for deferrals?** **Source Documentation:** DHCD Program Operations Manual (POM) **Material Review:** Client hard files, Hancock

**14. Does the subgrantee provide a form for clients outlining the complaint process? Are personnel assigned to the complaint and are there any resolution steps?** **Source Documentation:** DHCD (POM) **Material Review:** Client hard files, Form review

## **SECTION G: RENTAL**

**15. How does the Subgrantee confirm the process outlined for rental units is being followed, as specified in the State Plan and POM?** **Source Documentation:** 10 CFR 440.14: State Plan 10 CFR 440.16: Program requirements 10 CFR 440.22(b): Eligible dwelling units 10 CFR 440.22(b)(3): Rental Unit Procedures WPN 11-1.5.4: Rental Requirements **Material Review:** State Plan Review, Rental Unit Procedure Review, Standard Rental Agreement Forms, POM, Rental unit file review

## **SECTION H: BOARD GOVERNANCE**

**16. Describe the established procedure for the Board to review and provide input on the application?** **Source Documentation:** Subgrantee Policies and Procedures Manual **Material Review:** Review agenda and notes/minutes take from the Board meetings for the most recent year, especially the notes from the meeting prior to submission of the Application Package, IRS Form 990

**17. Has the composition of the Subgrantee's Board changed since approval of the application? If the Board has changed, provide details on why the change happened.** **Source Documentation:** DHCD Application **Material Review:** Most recent amendment of the approved DHCD Application with the list of Board members. Application Package, Board organizational chart, Articles of incorporation. Constitution and bylaws, Policies and Procedures, Annual Report

**18. Within the past year, what major policy decisions has the Board been involved in and what was the outcome?** **Source Documentation:** Meetings agenda and minutes **Material Review:** Review agenda and notes/minutes take from the Board meetings for the most recent year

## **SECTION I: FEEDBACK AND REPORTING**

**19. How often does the Subgrantee hold regular meetings with its internal (such as reports to Board, staff meetings, managers meetings) and external (such as subcontractors, Grantee, network partners) stakeholders? *Source Documentation:* Policies and Procedures, Bylaws, Articles of Incorporation, Annual Report, Publications, T&TA Plan *Material Review:* Meeting Schedule/Calendar, Meeting Notes**

**20. What evidence is there that Hancock is used to collect and report Subgrantee production and expenditures data? What process or guidance does the Subgrantee use to verify completed units? Does the Subgrantee also use the identified system as a management tool? Identify all Subgrantee employees that are responsible for entering data into the Hancock system and using it to report to the Grantee. *Source Documentation:* 10 CFR 440.16: Program requirements 10 CFR 440.24: Recordkeeping WPN 11-1.6.2: Reporting DOE completed units, POM *Material Review:* Information in the Hancock software system (Generate and review report examples or review existing reports including client status reports and pipeline reports)**

**21. What systems does the Subgrantee have in place to assure it reports to the Grantee on time? Is the Subgrantee reporting on time? If not, specify what the problems are. *Source Documentation:* 10 CFR 440.16: Program requirements 10 CFR 440.24: Recordkeeping WPN 11-1.6.2: Reporting Requirements WPN 10-13: *Material Review:* Hancock software system Review (Generate report example or review existing report), Calendar**

## **SECTION J: ENERGY AUDITS**

**22. How is the Subgrantee assuring it is using the most recent approved State Plan and policies and procedures (POM) for all types of housing stock (e.g. single-family , mobile, and multifamily, and a-typical)? *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.21(f)(7): Energy Audits 10 CFR 440.22 (b): Eligible dwelling units 10 CFR 440.23: Oversight, Training & Technical Assistance 10 CFR 440.24: Recordkeeping WPN 01-4: Revised Weatherization Program Energy Audit Approval Procedures WPN 05-5: DOE-Approved Audit for WAP WPN 11-1.5: Policy, Program Guidance, & Regulatory WPN 11-1.5.10: Determining Priority Service *Material Review:* State Plan Review Communications (emails, letters) on identified topics Energy Audit/Priority List Review Installation Standards Field Guide**

**23. How does the Subgrantee monitor its maintenance of the audit inputs, especially when dealing with a-typical housing stock? (e.g. updating fuel, labor, material costs, etc.) *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.19: Labor 10 CFR 440.21 (c), (d), (e): Energy Audits 10 CFR 440.23: Oversight, Training & Technical Assistance 10 CFR 440.24: Recordkeeping WPN 01-4: Revised Weatherization Program Energy Audit Approval Procedures WPN 05-5: DOE-Approved Energy Audits for WAP WPN 11-1.5.5: Energy Audit Criteria *Material Review:* Audit Input Update Notifications Monitoring Tool/Checklist**

**24. How does the Subgrantee ensure its staff and Subcontractor “workers” (auditor, inspectors, crews leaders, retrofit installers, etc.) are performing work that meets program requirements (e.g. certification or number of required training hours) before hiring or within a certain period after employment?** *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.15(a)(2)(i): Subgrantee experience/qualifications 10 CFR 440.23(e): Oversight, Training & Technical Assistance WPN 11-1.3.1: Basic T&TA **Material Review:** State Plan Review T&TA Review, Review Energy Auditor Qualifications, recent training, certifications, etc. Determine if the Work Plan matches implementation

**25. What does the Subgrantee require from their staff and Subcontractors to demonstrate energy auditors, crew leaders, retrofit installer technicians and quality control inspectors maintain their qualifications?** *Source Documentation:* 10 CFR 440.14: State Plan 10 CFR 440.15(a)(2)(i): Subgrantee experience/qualifications 10 CFR 440.23(e): Oversight, Training & Technical Assistance WPN 11-1.3.1: Basic T&TA **Material Review:** Certification summary spreadsheet, Training certifications (including BPI, OSHA, EPA Lead, mold and asbestos awareness), Training Agendas/support materials, Participation Lists

## **SECTION K: FIELD WORK**

**26. How does the Subgrantee ensure that what is expected to be in each client file and/or accessible to monitors on field visits is in place?** *Source Documentation:* 10 CFR 440.16(g): Minimum Program Requirements WPN 11-1, 6.2: DOE Completed Units **Material Review:** Intake forms, Final Inspection Form, see checklist in the POM

**27. How does the Subgrantee ensure that DOE units are inspected prior to the Subgrantee reporting them as completed units? What is the Subgrantee's understanding of the Grantee's policy on Subgrantees using the same staff for perform audits and inspections on the same weatherization unit?** *Source Documentation:* 10 CFR 440.16(g): Minimum Program Requirements WPN 11-1.6.2: DOE Completed Units **Material Review:** Unit Inspection Reports Final Inspection Form

**28. Is there a clear “final inspection form” that shows the Subgrantee's or subcontractor's inspector name, signature, and date and verifies each completed measure and unit has been inspected?** *Source Documentation:* 10 CFR 440.16(g): Minimum Program Requirements 10 CFR 440.23(e): Oversight, training, and technical assistance WPN 11-1.5.24: Use of WAP Funds for Add-on/Call-Backs WPN 11-1.6.2: DOE Completed Units WPN 11-3: Call-Backs Guidance **Material Review:** State Plan Review Final Inspection Forms Final Inspection Reports

**29. Is there information on file verifying that combustion safety tests were performed and documented during the energy audit and quality control inspection, at a minimum?** *Source Documentation:* POM, Field Guide **Material Review:** Combustion safety test data printout

**30. Is there a schedule of audits and quality control inspections identifying each individual and each location visited and date on which the work was performed? *Source***

***Documentation:*** *POM Material Review: Audit and Inspection schedules, Calendars, Maps, signed inspections*

**31. Describe the process and procedures the Subgrantee has in place and are implemented if an inspector finds work that needs to be re-done or corrected? *Source Documentation:***

*10 CFR 440.16(g): Minimum Program Requirements 10 CFR 440.23(e): Oversight, training, and technical assistance WPN 11-1.5.24: Call-Backs WPN 11-1.6.2: DOE Completed Units WPN 11-3: Call-Backs/Added-On Work Guidance Material Review: Inspection Reports*

**32. Describe the Subgrantee's process for handling the following concerns when found during a monitoring visit: a. Incomplete Work b. Client complaints c. Major Workmanship Issues d. Minor Workmanship Issues. Describe how the Subgrantee is managing the call-back/add-on work/rework process with its staff and subcontractors. *Source***

***Documentation:*** *10 CFR 440.16(g): Minimum Program Requirements 10 CFR 440.2 (e): Training and Technical Assistance WPN 11-1.3: Training & Technical Assistance WPN 11-1.6.2: DOE Completed Units WPN 11-1.5.24: Use of WAP Funds for Add-on/Call Back Work WPN 11-3: Add-On/Call Back Work Guidance Material Review: Training agendas and participations lists*

**33. Describe the Subgrantee's mechanism for identifying guidelines for techniques used for installation of materials and Health & Safety protocols through either a Grantee specific Field Guide, Regional Field Guide, Installation Guidelines, or other materials. *Source***

***Documentation:*** *10 CFR 440.23: Oversight, T&TA 10 CFR 440.21: Weatherization materials and audit procedures WPN 11-1.4.0: Grantee Monitoring Appendix A Material Review: Obtain copy of most recent signed audit approval Field Guide/Installation Standards Application Package, II.6 Application Package, III.2 Application Package, III.5.3*

**34. Describe the Subgrantee's process for utilizing the most up to date the Field Guide, Installation Guidelines, or other materials. *Source Documentation:***

*10 CFR 440.23: Oversight, T&TA 10 CFR 440.21: Weatherization materials and audit procedures WPN 11-1.4.0: Grantee Monitoring Appendix A Material Review: Review a copy of the most recent Field Guide/Installation Standards*

## **SECTION L: HEALTH & SAFETY**

**35. Demonstrate how the Subgrantee tracks, monitors, and documents their staff and subcontractors implementation of the Health and Safety requirements, including Lead Safe Weatherization (LSW), outlined in the State Plan and current guidance? *Source***

**Documentation:** 10 CFR 440.15(3)(iii): Subgrantees 10 CFR 440.23: T&TA WPN 11-1.3.1: Basic T&TA WPN 11-1.5.14: Lead Paint Hazard WPN 11-6: Health & Safety Guidance WPN 09-6: Lead Safe Weatherization **Material Review:** Training Plan review and certificate reviews Client file review of LSW photo documentation Application Package, III.3: Health and Safety Plan Monitoring tools/instrument used by the Grantee

**36. Does the Subgrantee have a Hazard Communication Plan (HCP) that is specific to their workplace and the materials used? Has the HCP been shared with employees through comprehensive training? Is it accessible in the workplace and on trucks? Is it updated annually?** **Source Documentation:** 10 CFR 440.16(h): Minimum Program Requirements 10 CFR 440.18: Allowable Expenditures 10 CFR 440.21: WX materials and audit procedures 10 CFR 440.15(3)(iii): Subgrantees 10 CFR 440.23: Oversight, T&TA WPN 11-6: Health & Safety Guidance WPN 09-6: Lead Safe Weatherization, State Plan, POM, Field Guide **Material Review:** Health & Safety Plan, Training schedule, Written HCP

**37. How does the Subgrantee verify workers have the required Health and Safety training, including OSHA, Lead Safe Weatherization (LSW), etc.?** **Source Documentation:** 10 CFR 440.15(3)(iii): Subgrantees 10 CFR 440.23: Oversight, T&TA WPN 11-1.3.1: Basic T&TA WPN 11-1.5.14: Lead Paint Hazard WPN 11-6: Health & Safety Guidance WPN 09-6: Lead Safe Weatherization **Material Review:** Certifications Training Agendas/Participation Lists

## **SECTION M: SUBGRANTEE MONITORING**

**38. Describe how the Subgrantee documents the quality of work and patterns detected within staff, a subcontractor or across multiple subcontractors.** **Source Documentation:** 10 CFR 440.23:

Oversight, T&TA 10 CFR 440.21: WX materials and audit procedures WPN 11-1: WPN 11-1.4.0: Grantee Monitoring Appendix A **Material Review:** Inspection Reports

**39. Are there currently any subcontractors that are considered at-risk, on probation, or pose potential problems for the Subgrantee? If yes, summarize the issues and Subgrantee's actions to resolve.** **Source Documentation:** 10 CFR 440.23: Oversight, T&TA WPN 11-1.4.0: Grantee Monitoring **Material Review:** Recent monitoring reports for Subgrantee and subcontractor, Financial audit/materials and findings identified, Correction plans and documentation of concerns raised

**40. Describe the Subgrantee's process for Historic Preservation compliance. Does the Subgrantee have a copy of the Grantee's signed agreement with its SHPO office?\*** **Source Documentation:** Section 106 of 16 U.S.C. 470 the National Historic Preservation Act (NHPA) WPN 11-1.5.22: Historic Preservation **Material Review:** SHPO Agreement, Policy documents

**41. Describe the Subgrantee's process for ensuring that all subcontractors involved are not**

on the debarred list. *Source Documentation:* 2 CFR 200.235 (for states and other governmental orgs) 2 CFR 200.113 (for nonprofit organizations) *Material Review:* Subgrantee Monitoring Tool, Policies/Procedures Manual, SAM site review and contractor list

## **SECTION N: TRAINING & TECHNICAL ASSISTANCE (T&TA)**

**42. What methods does the Subgrantee use to determine the T&TA needs of its staff and subcontractors? How is training provided on the following items? a. Technical Training? b. Program Management Training? c. Procurement Training (Contracts, including subcontractors)? d. Inventory Control Training? e. Health and Safety? *Source Documentation:* 10 CFR 440.12(7): State Application, Use of training funds 10 CFR 440.23(e): Oversight, T&TA WPN 11.1.3.1: Basic T&TA WPN 11.1.4: Program Monitoring *Material Review:* Inspection Reports, Failure Reports, Past Training Agendas, Staff Experience, Application Package, T&TA Plans**

**43. How does the Subgrantee track the training completed or any certifications received or renewed, by Subgrantee staff or subcontractor staff? *Source Documentation:* 10 CFR 440.12(b)(7): State Application 10 CFR 440.15(3)(iii): Subgrantees 10 CFR 440.23(e): T&TA 10 CFR 440.24: Recordkeeping WPN 11.1.3.1: Basic T&TA *Material Review:* Staff and subcontractor certifications, Training, Agendas and participant lists, Application Package, T&TA Plan**

**44. Are there any issues or barriers that hamper the Subgrantee's attendance at MCAP, Network Partners meetings, national or regional training conferences and workshops? If yes, please list below. *Source Documentation:* T&TA WPN 11-1.3.1: Basic T&TA *Material Review:* Internal memos on travel restrictions, Subgrantee Policy on travel**

**Appendix F - CIF (SF) Targeted & Enhanced Weatherization Program - Contractor Implementation Guide**



**Department of Housing and Community Development**

7800 Harkins Road

Lanham, Maryland 20706

**Housing & Building Energy Programs**

**Customer Investment Fund  
(Single-family )**

# **Targeted & Enhanced Weatherization Program**

## ***Contractor Implementation Guide***

**August 2014**

**The Maryland Department of Housing and Community Development (DHCD)  
pledges to foster the letter and spirit of the law for achieving equal housing opportunity in  
Maryland.**

**<http://www.dhcd.state.md>**



## **CIF (SF) Targeted & Enhanced Weatherization Program**

### ***Contractor Implementation Guide***

The Contractor Implementation Guide is designed to supplement existing DHCD policy documents with policies and procedures specific to DHCD's CIF funded "Targeted and Enhanced Weatherization Program". Contractors participating in the CIF (SF) Targeted and Enhanced Weatherization Program are required to learn, understand, and adhere to the most recent Weatherization Program Operations Manual (POM) as well as this funding specific guide. The Guide will address when Contractors should use the two documents. Contractors are encouraged to contact DHCD whenever conflicting policies are identified. DHCD is committed to providing clarity to advance decision making.

The DHCD Weatherization Program Operations Manual can be found here:

[http://www.mdhousing.org/website/Programs/WAP/documents/Weatherization\\_Program\\_Operations\\_Manual.pdf](http://www.mdhousing.org/website/Programs/WAP/documents/Weatherization_Program_Operations_Manual.pdf)

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## **Attachments**

Attachment	A	Contractor Key Contacts Form
Attachment	B	Contractor Leave Behind
Attachment	C	GHHI Baltimore Comprehensive Environmental Health and Housing Assessment Tool
Attachment	D	HIPAA Form
Attachment	E	Employment Report

## Section 1. Program Information Summary

DHCD received funding for its “Targeted and Enhanced Weatherization Program”<sup>1</sup> (“Program”) through the Customer Investment Fund (CIF), established through order no. 84698 by the Maryland Public Service Commission under the merger settlement between Exelon and the Constellation Energy Group, Inc. The goal of the Customer Investment Fund is to “focus on longer-term benefits for low-income customers, homeowners and businesses by creating new and incremental opportunities for energy assistance and energy efficiency” within the Baltimore Gas and Electric (BGE) service territory.<sup>2</sup> DHCD’s “Targeted and Enhanced Weatherization Program”, approved as part of the Customer Investment Fund, will target low-income, high energy use residential customers (who cannot be assisted through other programs because of significant household health and safety issues and/or structural deficiencies) outside of Baltimore City for enhanced weatherization services and furnace replacement. The enhanced weatherization services will address additional health and safety hazards beyond what is allowable by existing programs, such as lead paint hazards, mold hazards, asbestos hazards, roof leaks, moisture infiltration, furnace replacements and repair of structural deficiencies.

By providing enhanced weatherization services, the Program aims to:

- Significantly reduce energy consumption by installing weatherization measures and related repairs which improve the thermal efficiency of the home; and
- Enhance client health and safety by reducing environmental hazards in the home and providing adequate ventilation, safely functioning combustion appliances, proper zonal pressures, and smoke/CO detectors.

The program has a not to exceed limit of \$6,700 for energy conservation measures (ECM) and a not to exceed limit of \$15,000 for non-energy measures that address critical threats to occupant health and safety.

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<sup>1</sup> *Approved as part of Commission Order No. 85187(issued on November 8, 2012).*

<sup>2</sup> *Commission Order No. 84698 (issued February 17, 2012).*

## **Section 2. Contractor Obligations**

### **A. Contractor Key Contacts**

Contractors shall identify the following contacts within their organization and shall provide contact information for each. Contacts do not need to be distinct. Dual assignment and overlap in duties is acceptable. Identification is requested to facilitate efficient communication between DHCD and the contractors. Please complete the Contractor Key Contacts Form (ATTACHMENT A) and return it to [Mello@dhcd.state.md.us](mailto:Mello@dhcd.state.md.us).

#### **1. Production Manager**

The Production Manager will be DHCD's primary point of contact on all matters related to the efficient and competent production of CIF (SF) Targeted and Enhanced Weatherization units. The Production Manager will address issues regarding work scope, measure installation and installation phasing, and inspections. The Production Manager will be present during the first three pilot case Quality Assurance (QA) inspections. The Production Manager will be the liaison between DHCD and the contractor's subcontractors. DHCD will not coordinate or communicate directly with subcontractors.

#### **2. Finance / Billing**

The contact responsible for finance / billing will be the primary point of contact for all aspects of the DHCD billing process and will work with DHCD staff to remedy any and all discrepancies that threaten timely and efficient payment. The finance / billing contact will track contractor expenditures and report expenses to DHCD monthly through Hancock.

#### **3. Data & Reporting**

Each contractor will identify a staff person responsible for managing data collection. Data collection will be primarily focused on demographic and health data that will be used to build the case for funding non-energy benefits. The data and reporting contact will work with DHCD to meet all reporting deadlines required to satisfy the PSC and other stakeholders.

The Contractor shall notify DHCD within 5 business days of any change in staffing of these Key Contacts. The Contractor shall send an updated Contractor Key Contacts form each time Key Contacts change.

The Contractor shall be the prime administrator and DHCD point of contact and shall not subcontract any administrative obligations, including but not limited to invoicing, submission of

quarterly financial statements and other reporting requirements.

## **B. Contractor Qualifications**

The following minimum qualifications must be maintained throughout the duration of this contract:

1. Have the financial capacity to provide weatherization services and home health intervention services for not less than fifteen (15) housing units each month;
2. Be licensed in good standing by the Maryland Home Improvement Commission Board (MHIC) and have an MHIC number;
3. Have at least one employee or subcontractor who is accredited by the Maryland Department of Environment (MDE) to perform lead based paint risk assessments and inspections; and
4. Possess an email address and a computer with access to the Internet.

All weatherization workers shall have the following additional certifications/licenses:

- EPA Lead Repair Renovation and Painting (LRRP) certification;
- Certification of weatherization training received 2009 or later that meets the U. S. Department of Energy (DOE) core competencies, per DHCD requirements.
- All weatherization workers shall have Occupational Safety and Health Administration 10-hour Construction Safety certification.

All energy auditors and Quality Control (QC) inspectors shall have the following additional certifications/licenses:

- Energy Auditors must have the Building Analyst Professional or Envelope Professional Certification from the Building Performance Institute, Inc. (BPI); and
- All Energy Auditors shall have Occupational Safety and Health Administration 30-hour Construction Safety certification.
- QC Staff must have the BPI Building Analyst Certification
- All QC staff must obtain the HEP Quality Assurance Inspector credential by end of 2015

Work to address lead, mold, and / or asbestos hazards must be done by certified firms employing certified professionals according local, state, and federal law. Contractors must obtain certification or verify their subcontractor's certification. Certifications must be submitted to DHCD prior to engaging in work to address lead, mold, or asbestos hazards.

### **C. Hardware and Software Requirements**

**Hardware.** The Contractor agrees to purchase, or already have available, to dedicate for performance of work under this Contract a minimum of:

- A. For each BPI certified auditor,
  - a. one (1) handheld device that integrates with the Hancock Energy Audit Tool (HEAT) application and software,
  - b. and one (1) portable printer

**Software.** The Contractor agrees to purchase upon contract award, or already have available to dedicate for performance of work under this Contract, sufficient number of licenses for the Hancock Energy Audit Tool (HEAT) application and software.

The Contractor agrees to participate in energy audit tool application and software training sessions as directed by DHCD and

The Contractor agrees to enter data into the DHCD database as directed by the Contract Administrator.

## **Section 3. Production Process**

Contractors will have 45 calendar days from the initial receipt of a referral to the submission of an invoice for completed work. Contractors are encouraged to be in close communication with DHCD when barriers to this timeline are present. Contractors shall notify DHCD whenever a contractor is aware that they will not meet the 45-day timeline.

Cases that require relocation may be granted additional time to close.

### **A. Referral Sources**

The Program will access a bank of previously deferred referrals to identify high energy users who were previously deferred due to housing conditions that prohibit weatherization.

The deferred referrals are currently held in two banks. There are referrals that were previously screened and denied before distribution to contractors. These referrals will be accessed through the OHEP database. There are also referrals that were previously distributed and then denied by the contractor after an energy audit revealed housing conditions that prohibit weatherization.

All deferred referrals will need to be investigated to determine the reason for deferral and current eligibility status.

Priority will be given to the oldest deferred referrals. Priority will then be given to the “super users” among the oldest deferred referrals. Super Users will be defined as the top 25% highest users among the deferred referrals.

DHCD will work with additional alternative sources to identify referrals. Additional referrals may be sourced from:

- Office of the People’s Council
- State Health Department
- County Health Departments
- Community Based organizations (Neighborhood Associations , Community Resource Centers)

## **B. Referral Distribution**

Initially, referrals will be distributed equally among the contractors. Each contractor will start with nine pilot referrals. The pilot referrals are expected to convert at a rate of 30%. The goal is to reach 3 pilot cases to determine contractor production capacity and competence. 100% of the pilot cases will receive a DHCD QA inspection before the standard referral distribution will begin.

Upon successful completion of the three pilot cases, each contractor will receive an average of 15 new referrals per week. It is expected that the 15 referrals will convert to 5 Healthy Homes Assessments / Home Energy Audits. This conversion forecast allows for occupant turnover and dead contact information. Given that the program is designed to work with deferred referrals, we can expect a higher conversion rate than has been experienced within DHCD’s DOE and EmPOWER programs.

Referral flow rates will be modulated depending on contractor production rates, compliance with DHCD processes and policies, inspections, and overall contractor responsiveness to DHCD.

Referrals will not be issued based on contractor location or geographic territory. However, DHCD may decide to issue referrals according to each contractor’s geographic location in the future if production efficiencies are identified.

Referrals will be issued weekly, on Fridays. Contractors will need to make contact with the homeowner by the following Wednesday. Contractors log the contact in Hancock by close of

business each Wednesday in order to receive additional referrals on the following Friday. Failure to make documented contact attempts with referrals within the prescribed timeline will cancel the following week's referral distribution. All unsuccessful contact attempts must be logged in Hancock. Contractors must attempt to reach the homeowner at different times of day on different days during the week, including evenings and weekends, and must attempt at least one visit to the home before returning the lead as unresponsive. The contractor must leave the attached letter (ATTACHMENT B) when they visit a home and are unsuccessful reaching the homeowner.

When the contractor is unsuccessful reaching the homeowner after a minimum of three distinct attempts and one visit, the referral should be returned to DHCD as unresponsive. Email all unresponsive referrals to the CIF Coordinator at [kea@dhcd.state.md.us](mailto:kea@dhcd.state.md.us). Include the job number, name, and contact information in the email. DHCD will issue a notice to the homeowner with a defined response process and timeline as a final attempt to initiate contact. Unresponsive clients will be removed from the Contractor's production load.

All referrals will be owner occupied units. DHCD may phase in rental units as the program develops.

### **C. Initial Homeowner Contact**

When the contractor makes a successful contact with a referral, the contact must be logged in Hancock. Successful contact means that the contractor spoke to the homeowner or primary contact in the home, scheduled a combined Healthy Homes Assessment and Energy Audit, and began collecting the information for the assessment tool.

Successful Initial Contact:

- a. Introduce the Contractor and the priorities / purpose of the program.
  - i. Set expectations about the nature of the work to be done as well as the types of work that will NOT be done.
  - ii. Explain that work is interconnected and the occupants may not be able to select and deny measures without impacting access to other measures.
  - iii. Explain that the homeowner will *NOT* be charged at any time for the services provided in this program.
  - iv. Identify for the homeowner a primary contact within the contractor's agency.
  - v. Explain that DHCD is governing the program and will make all final determinations of what can and cannot be done within the scope of the program.



- vi. **Do NOT discuss costs, prices, “not to exceed” limits, etc.**
  - vii. Explain that the HHA/HEA may result in a second deferral if costs exceed program not-to-exceed limits.
- b. Provide an expectation of the duration and intensity of the interruption created by this work. Follow up with a written expectation of project duration. This notice should be mailed or delivered at or before the time of the HHA/HEA. Upload the letter to Hancock.
  - i. Describe the work that will likely be done. Discuss locations in the home that will likely be accessed and occupied by workers and inspectors.
  - ii. Request that residents relocate belongings that restrict access to these spaces.
  - iii. Estimate the total number of days that workers will need access to the home (remember permitting, QA and QC, etc.). Provide this estimate in writing.
  - iv. Describe the type of mess that is generally created in the process of completing this work and give a realistic expectation about end of day / end of work cleanliness.
- c. Identify the primary occupant point of contact and signer in the home.
  - i. Who will be responsible for signing off on work to be completed?
  - ii. Who will review work completed daily and sign off on the daily work complete page?
- d. Identify alternate contact methods (email, work phone number, etc.), emergency contact procedure, and alternate contacts.
- e. Gather information regarding issues that previously prohibited weatherization.
- f. Explain that the energy auditor will need access to utility account information.
  - i. Discuss the utility account release form.
- g. Explain the HIPAA Form and begin the Comprehensive Environmental Health and Housing Assessment by phone.
  - i. Explain the HIPAA form and describe the health information to be collected.  
Complete page 1 by phone.
  - ii. Reschedule phone assessment if primary contact is unavailable or confirm that the primary contact will be present during the HHA.
- h. Schedule the initial Healthy Homes Assessment & Home Energy Audit.

#### **D. Healthy Homes Assessment & Home Energy Audit**

Contractors shall conduct the healthy homes assessment and home energy audit within the span of a single visit to the home whenever possible.

The Healthy Homes Assessment should precede the home energy audit. In some cases, all or some components of the energy audit will need to be delayed until immediate threats to home health and safety, which would be exacerbated by the home energy audit, have been addressed. In these instances, components of the home energy audit or the full energy audit will need to be rescheduled. This may occur when there is friable asbestos, chipping and flaking lead paint, and/or extensive mold present and observable during the HHA.

**Healthy Homes Assessment:** The Program will utilize the Green and Healthy Homes Initiative Baltimore’s (GHHI Baltimore) “Comprehensive Environmental Health and Housing Assessment” tool. The tool will be used before or in conjunction with a BPI energy audit. It’s necessary to identify threats to health and safety that could be exacerbated by components of the Home Energy Audit before proceeding with the energy audit. The tool will assist in identifying threats to home health and safety and will capture data necessary to create a scope of work that includes non-energy health and safety measures.

The tool is designed to be used as a combined healthy homes assessment and energy audit tool. For the purpose of the CIF (SF) Targeted and Enhanced Weatherization program, pages 1 – 13 will be mandatory. Pages 14 – 21 are optional, but can be used for data collection during the energy audit.

The Comprehensive Environmental Health and Housing Assessment Tool can be accessed here: <http://nascsp.org/data/files/healthyhomes/ghhicomprehensiveassessmenttool.pdf> and is included as ATTACHMENT C.

[The HIPAA Form \(ATTACHMENT D.\) must be signed by the primary occupant before completing the Healthy Homes Assessment Interview.](#)

[The Auditor must conduct a visual verification to confirm all homeowner reported conditions.](#)

**Home Energy Audit:** All comprehensive Home Energy Audits shall be performed in accordance with DHCD guidelines, recognizing Building Performance Institute (BPI) standards and using DHCD’s audit tool. Individuals performing home energy audits shall be BPI certified Building Analyst Professionals.

Refer to section 7, A. of the Weatherization Program Operations Manual for DHCD’s Energy Audit Protocol. The Weatherization Program Operations Manual can be accessed here: [http://www.mdhousing.org/website/Programs/WAP/documents/Weatherization\\_Program\\_Operations\\_Manual.pdf](http://www.mdhousing.org/website/Programs/WAP/documents/Weatherization_Program_Operations_Manual.pdf)

## **E. Scope of Work**

The Program is designed for combined comprehensive healthy homes and energy efficiency interventions. Measures will include standard weatherization measures that are primarily designed to reduce energy consumption as well as non-energy measures that reduce threats to occupant health and safety and prepare the home for weatherization.

The measures listed below are representative of the common home health hazards that this program will address but should not be seen as a definitive list of measures.

1. Non-energy measures (not to exceed \$15,000)
  - a. Lead Hazard Reduction
  - b. Mold Remediation
  - c. Moisture Infiltration Mitigation
  - d. Roof Repair or Replacement
  - e. Plumbing
  - f. Electrical
  - g. HVAC
  - h. General Rehab and structural repairs
2. Energy Conservation Measures (not to exceed \$6,700)
  - a. Includes \$300 payment for audits that convert to work.
    - i. Audits that result in deferral will *NOT* be paid.
  - b. State Weatherization Contractor Program Operations Manual (SWC-POM), as may be amended from time to time, provides information concerning what is required of the Contractor for weatherization services. The Contractor shall provide services as detailed in the SWC-POM.

Due to the above mentioned “not to exceed” limits, non-energy measures will need to be prioritized. Health and Safety measures will be prioritized before other non-energy measures. Among health and safety measures, priority will be given to measures that allow weatherization work to be completed. Contractors are encouraged to work with DHCD whenever prioritization is unclear.

Furnace replacement may be included as either an energy conservation measure or a non-energy measure, depending on total costs by category.

The non-energy home health and safety measures must be addressed prior to starting weatherization. The Program is designed to address homes that would otherwise be deferred based on critical home health and safety needs. Weatherization work can proceed only after these measures have been addressed and verified complete.

Contractors are responsible for managing the phasing of their subcontractors.

Non-energy measures to address lead hazards, asbestos hazards, mold hazards, and carbon monoxide hazards must be address before other non-energy measures. Work to control or abate these hazards must be verified complete by the appropriate certified professional before other work begins. Documentation of completed work must be uploaded to Hancock before additional work can proceed. Electrical repairs, plumbing repairs, and rehab must be done after the above non-energy measures have been completed but before weatherization measures.

Simultaneous measure installations can be done when efficiencies can be gained without unnecessary worker exposure to hazardous conditions and when installations can be simultaneous without interruptions.

The cost of specific services proposed by the Contractor for each housing unit will be evaluated and approved or denied by DHCD to assure reasonable consistency with the industry standards. Each invoice shall be evaluated by DHCD.

#### **F. Temporary Relocation of Occupants**

Extensive health and safety interventions will require the temporary relocation of occupants. Temporary relocation will apply to lead and asbestos hazard reduction activities that impact the home for more than one work day and cannot be isolated to a contained work area. When temporary relocation is necessary, all residents, including pets, must be relocated. Contractors are encouraged to isolate the work area before requiring relocation.

Pregnant women and children under the age of 6 are prohibited from being in the house while work is being performed.

Occupants shall relocate to homes of family or friends to reduce the amount of money that is detracted from the direct hazard reduction expenses. When relocation within the occupant's network is not possible, the homeowner should access their homeowner's insurance to cover the cost of relocation. The Contractor must work with homeowners to facilitate this process. If no other relocation resources are available, contractor must facilitate relocation to temporary housing (i.e. hotel or a lead safe housing unit).

The occupants must remove all personal items from the areas where work will take place. The occupants must remove all items of "value" from the home.

Contractors shall provide furniture protection and moving and storage services. The cost of relocation must be built into the contractor's hazard reduction estimate. Contractors are

encouraged to negotiate agreements with hotels and other relocation service providers to reduce expenses.

Allowable costs include:

- Temporary housing at a hotel or lead safe unit
- Moving fees
- Storage fees

The contractor shall make available a storage container to contain items removed from the work area and for items of value removed from the house. The contractor shall provide a NEW keyed lock to secure the container. The occupants must lock up all items and retain the only key.

Occupants may elect to allow the contractor to move and secure items. Occupants must sign agreeing to allow the contractor to secure items of value.

Occupants shall not return to the work area under any circumstances until work is verified complete. Occupants shall prepare and pack to avoid returning to the home during work. Items that may be needed during the time that work is being performed must be placed into the locked storage pod. Occupants may access the pod during work. No entry to the home will be permitted.

The contractor shall submit their Temporary Relocation plan to DHCD for approval before work can begin.

## **G. Case Closure**

The expected timeframe between receipt of the first lead and billing should be no longer than 45 calendar days. Progress will be tracked throughout the process using Hancock. Contractors are required to provide explanation for cases that remain open longer than thirty days from receipt. Contractors are encouraged to notify DHCD of the expectation of delayed closure as far in advance as delayed closure is expected.

## **H. Quality Control & Quality Assurance**

DHCD QA Inspectors will inspect 100% of the pilot cases to determine contractor readiness to satisfy the requirements of the Program. Following QA inspection of the first three pilot cases, each contractor will be recommended for either standard lead distribution or additional QA monitoring with training and technical assistance.

Refer to Chapter 8 of DHCD’s Weatherization POM for additional detail regarding the QA/QC process.

## **I. Special Reporting**

**WBE/MBE:** The contractor shall submit monthly to DHCD a report listing all payments made to MBE subcontractors during the preceding 30 days, as well as any unpaid invoices, over 30 days old, received from any certified MBE subcontractor, the amount of each invoice and the reason payment has not been made.

Included in a contractor’s agreements with its certified MBE subcontractors is a requirement that those subcontractors submit monthly to DHCD a report that identifies the prime contract and lists all payments received from the Contractor in the preceding 30 days, as well as any outstanding invoices, and the amount of those invoices.

**Employment Report:** Each contractor will complete and submit monthly the Program Employment Report (ATTACHMENT E), listing all staff who are working on this project. The report will list names, titles, and status of employment. The prime contractor will be responsible for submitting a report that captures employment data for the prime and all subcontractors. The report is to be submitted on the 15<sup>th</sup> of each month via email to the CIF (SF) Targeted and Enhanced Weatherization Program Manager at [Mello@dhcd.state.md.us](mailto:Mello@dhcd.state.md.us).

## **Section 4. Simplified Step by Step Process Outline**

### **1. DHCD identifies a previously deferred referral.**

- i. OHEP referrals deferred before distribution.
  - i. Oldest “super users” (top 25%)
  - ii. DHCD re-verification.
- j. Hancock referrals deferred at time of Energy Audit.
  - i. Oldest “super users” (top 25%)
  - ii. DHCD re-verification.

**2. DHCD releases the prioritized and verified referrals to the contractor.**

- a. Referrals are initially released in equal numbers to the selected contractors.
- b. Referrals are distributed based on a 30% conversion rate.
- c. Referral flow rates will be adjusted based on:
  - i. actual conversion rates by contractor.
  - ii. contractor production capacity and performance.
  - iii. contractor compliance, and contractor responsiveness.
- d. Contractor has three business days to make contact or log contact attempts.
  - i. Contractor attempts to make contact by phone.
  - ii. Contractor attempts morning, afternoon, and evening contacts.
  - iii. If no phone contact can be established contractor logs this information in the Hancock and attempts a visit to the home.
  - iv. Unresponsive referrals are returned to DHCD.
  - v. DHCD sends a letter to the home stating a predetermined process and timeline for the homeowner to make contact with DHCD and restart the process.
  - vi. Unresponsive leads will be deferred.
- e. Contractor has 30 calendar days from date of receipt to complete the case. Completion means all work is done and QC inspection is complete and all information is uploaded and complete in Hancock.

**3. Contractor makes contact with the referral.**

- a. Successful contact is logged in the Hancock.
  - i. Successful contact means that the contractor:
    - 1. Spoke to the primary contact in the home.
    - 2. Obtained information according to the process that follows.
    - 3. Scheduled the HHA/HEA.
- b. Introduce the Contractor and the priorities / purpose of the program.
  - i. Set expectations about the nature of the work to be done as well as the types of work that will NOT be done.
  - ii. Explain that work is interconnected and the occupants may not be able to select and deny measures without impacting access to other measures.
  - iii. Explain that the homeowner will *NOT* be charged at any time for the services provided in this program.
  - iv. Identify for the homeowner a primary contact within the contractor's agency.
  - v. Explain that DHCD is governing the program and will make all final

determinations of what can and cannot be done within the scope of the program.

- vi. Do *NOT* discuss costs, prices, “not to exceed” limits, etc.
- vii. Explain that the HHA/HEA may result in a second deferral if costs exceed program not-to-exceed limits.
- c. Provide an expectation of the duration and intensity of the interruption created by this work. Follow up with a written expectation of project duration. This notice should be mailed or delivered at or before the time of the HHA/HEA. Upload the letter to Hancock.
  - i. Describe the work that will likely be done. Discuss locations in the home that will likely be accessed and occupied by workers and inspectors.
  - ii. Request that residents relocate belongings that restrict access to these spaces.
  - iii. Estimate the total number of days that workers will need access to the home (remember permitting, QA and QC, etc.). Provide this estimate in writing.
  - iv. Describe the type of mess that is generally created in the process of completing this work and give a realistic expectation about end of day / end of work cleanliness.
- d. Identify the primary occupant point of contact and signer in the home.
  - i. Who will be responsible for signing off on work to be completed?
  - ii. Who will review work completed daily and sign off on the daily work complete page?
- e. Identify alternate contact methods (email, work phone number, etc.), emergency contact procedure, and alternate contacts.
- f. Gather information regarding issues that previously prohibited weatherization.
- g. Explain that the energy auditor will need access to utility account information.
  - i. Discuss the utility account release form.
- h. Explain the HIPAA Form and begin the Comprehensive Environmental Health and Housing Assessment by phone.
  - i. Explain the HIPAA form and describe the health information to be collected.  
Complete page 1 by phone.
  - ii. Reschedule phone assessment if primary contact is unavailable or confirm that the primary contact will be present during the HHA.
- i. Schedule the initial Healthy Homes Assessment & Home Energy Audit.



#### **4. HHA / HEA**

- a. Have primary occupant sign the HIPAA Form.
- b. Complete pages 1 – 13 of the Comprehensive Environmental Health and Housing Assessment tool. Complete visual inspections when phone assessment has been completed to verify all occupant responses.
- c. Determine if it is safe to proceed with HEA.
  - i. Complete the HEA if it can be completed without:
    - 1. exacerbating existing home health threats.
    - 2. exposing occupants or workers to threats to life and health.
  - ii. Reschedule HEA for after home health threats have been addressed if home health threats will be exacerbated or if occupants or workers will be exposed as a result of any component of the HEA.
- d. Complete BPI HEA.
  - i. Visual inspection walkthrough
  - ii. Occupant Interview
  - iii. Combustion Analysis
  - iv. Hancock data collection (with measurements and photos for work scope and TA)
  - v. Blower Door Analysis
- e. Date of completed HHA and HEA logged in the Hancock.

#### **5. Enter HHA / HEA data into Hancock**

- a. Enter all data as required by Hancock to complete energy modeling.
- b. DHCD reviews data entered into Hancock.
- c. DHCD is proactive in identifying any weaknesses or incompletes in Hancock.

#### **6. Create work scope**

- a. Non-energy measures should be prioritized before energy measures.
- b. Work to control or eliminate lead, mold, or asbestos hazards should be addressed before other non-energy measures.
- c. Work to control or eliminate lead, mold, or asbestos hazards must be verified complete before additional work begins.
- d. Electrical, plumbing, and rehab work should be the next priority.
  - i. Roof leaks and basement waterproofing must be completed before building envelope measures are completed.
  - ii. Ceiling and wall repairs must be completed before air sealing blower door Test-In is done.

- e. Contractors must verify all health and safety work completed by subs with an interim QC inspection.
- f. Energy measures follow non-energy measures after completeness has been verified
- g. Refer to the DHCD Weatherization POM to complete a Weatherization work scope according to DHCD priorities.
- h. Overlap is acceptable when scheduling installation of energy measures and non-energy measures where efficiencies can be gained without unnecessary worker exposure and where installations can be completed without interrupting other work.
- i. DHCD QA reviews the work scope.
- j. QA staffs provide feedback on work scope as appropriate.

**7. Schedule Installation according to work scope prioritization**

- a. Contractor tracks subcontractor and prime contractor visits to the home to insure that work is completed according to previously established timeframes.
- b. Contractor provides project oversight along with intermittent QC inspections to insure work is completed to DHCD standards.

**8. QC Inspection and test out follows the energy measures**

- a. Contractor provides final QC inspection to verify that all work has been completed according to the work scope, DHCD standards, and BPI protocols.
- b. Final QC inspection includes blower door and combustion analysis test-out according to BPI protocols.
- c. If the internal QC reveals deficiencies, the QC Inspector orders corrective action to be completed before the work is reported closed to DHCD.
- d. Additional QC inspections are completed as needed to determine that all work is complete.

**9. Close out information is entered and uploaded into Hancock.**

- a. Refer to the DHCD Weatherization POM for complete list of close out items.

**10. DHCD QA Inspector will review approximately 10% of all cases that are submitted as complete**

- a. 100% inspection will be completed for the first 3 cases. 100% inspection will continue until DHCD decides that the contractor is ready for standard operations.
- b. If the DHCD QA reveals that corrective measures are needed, the contractor will

have 5 business days to return to the home and make the corrections.

- c. Contractor reports correction directly to DHCD QAI.
- d. DHCD may re-inspect cases as necessary to verify correction. Alternatively, DHCD may request photos, reports, or homeowner verification to document that corrective measures were completed.

## Appendix G- Maryland Standard Weatherization Measure Price List

**Maryland Department of Housing and Community Development has developed the following Standard Measure Prices. Each responsive bidder will submit a bid per-measure based on a factor bid system.**

***INSTRUCTIONS:*** Enter a numerical value in the column labeled "Factor Bid" that represents the multiplier that will convert the Standard Measure Price to the proposed bid price per-measure.

*For example, The Maryland Standard Weatherization Measure Price for CO Alarms with Lithium Ion Batteries, is \$32 installed. Contractor A will respond with a factor of .8, 1, 1.2 etc. The form will automatically multiply the Standard Measure Price by the factor to reveal the contractors price.*

Measure	Maryland Standard Measure Price	Unit	Factor Bid	Contractor's Factored Price Per Measure
<b>Air Infiltration</b>				
Blower door guided air sealing	\$0.85	per cfm	1	\$0.85
<b>Direct Installs</b>				
Install C/O Alarm with Lithium Batteries	\$32.00	each		\$0.00
Install Smoke Alarm with Lithium Batteries	\$32.00	each		\$0.00
ES - Showerhead - Install Low-Flow Showerhead (fixed) 1.5gpm	\$25.00	each		\$0.00
ES - Faucet Aerators - Install	\$5.00	each		\$0.00
Air Filters	\$25.00	each		\$0.00
ES - Water Lines - Insulate R3	\$0.85	per LF		\$0.00
ES - CFL - 16W Spiral	\$6.00	each		\$0.00
ES - CFL - 20W Circline	\$6.00	each		\$0.00

ES - CFL - 20W Spiral	\$6.00	each		\$0.00
ES - CFL - 23W Spiral	\$7.00	each		\$0.00
ES - CFL - 25W Quad	\$7.00	each		\$0.00
ES - CFL - 30W Circline	\$8.00	each		\$0.00
ES - CFL - 30W Spiral	\$8.00	each		\$0.00
Water Heater - Install Blanket	\$65.00	each		\$0.00
<b>Permits</b>				
Permits/Fees	\$300.00	NTE		\$0.00
<b>Health and Safety items</b>				
Install Dryer Vent - Existing opening	\$60.00	each		\$0.00
Vent Outside - Exterior wall	\$250.00	each		\$0.00
Vent outside - Wood/Soffit	\$175.00	each		\$0.00
Vent outside - window	\$175.00	each		\$0.00
Install Bath Exhaust Fan and Vent outside	\$350.00	each		\$0.00
Lead-Safe Work Practices - photos req'd	\$200.00	each		\$0.00
Window Repair - Glazing	\$40.00	each		\$0.00
Window Repair - Sash Lock	\$45.00	each		\$0.00
Window Repair - Other	\$40.00	each		\$0.00
Window - Replace Glass	\$120.00	each		\$0.00
MINOR-Repair plumbing	\$85.00	NTE		\$0.00
Carpentry Repairs (General)	\$75.00	NTE		\$0.00
Floor Repair - Minor	\$100.00	NTE		\$0.00
Repair Wall	\$15.00	per sf		\$0.00
Gutters/Downspout Repair	\$12.00	per LF		\$0.00
Downspout Extender	\$25.00	each		\$0.00
Repair MINOR roof leak(s)	\$75.00	NTE		\$0.00
Install Drip Drain-HS	\$30.00	each		\$0.00
Sub Contractor- Pest control	\$300.00	NTE		\$0.00
Sump Pump Replacement	\$500.00	each		\$0.00
Repair Gas Line (Health and Safety)	\$800.00	NTE		\$0.00
Rework Water Heater Vent	\$50.00	each		\$0.00
K&T Wiring Mitigation	\$800.00	NTE		\$0.00
Install Vapor Barrier	\$0.70	per SF		\$0.00

Electrical Repairs	\$75.00	NTE		\$0.00
<b>Insulation</b>				
Insulation - Install Foam Board 1"	\$1.75	per sf		\$0.00
Insulation - Install Foam Board 2"	\$2.30	per sf		\$0.00
Insulation - Install Foam Board 4"	\$3.40	per sf		\$0.00
Insulation - Install R-11 Cellulose	\$1.20	per sf		\$0.00
Insulation - Install R-11 Fiberglass	\$1.25	per sf		\$0.00
Insulation - Install R-13 Fiberglass	\$1.45	per sf		\$0.00
Insulation - Install R-19 Cellulose	\$1.45	per sf		\$0.00
Insulation - Install R-19 Fiberglass	\$1.50	per sf		\$0.00
Insulation - Install R-30 Cellulose	\$1.65	per sf		\$0.00
Insulation - Install R-30 Fiberglass	\$1.70	per sf		\$0.00
Insulation - Install R-38 Cellulose	\$1.70	per sf		\$0.00
Insulation - Install R-38 Fiberglass	\$1.75	per sf		\$0.00
Insulation - Install R-49 Cellulose	\$1.80	per sf		\$0.00
Insulation - Install R-49 Fiberglass	\$1.90	per sf		\$0.00
Insulation Misc Supplies (Itemize in Comments)	\$200.00	NTE		\$0.00
Install / Treat Crawlspace Hatch/Door - R-21 Insulation	\$140.00	each		\$0.00
Install/ Treat Kneewall Door - R-11 Insulation	\$70.00	each		\$0.00
Install/Treat Attic Hatch/Door - with comparable R-Value Insulation	\$100.00	each		\$0.00
Baffles	\$2.00	each		\$0.00
Attic Pull Down Stair Cover - Install	\$120.00	each		\$0.00
Insulation - Install R-11 Dense Pack Cellulose 3.5" cavity	\$2.25	per cf		\$0.00
Insulation - Install R-19 Dense Pack Cellulose 5.5" cavity	\$2.85	per cf		\$0.00

Heating Ventilation and Air-Conditioning				
Tstat - Replace (Programmable or existing)	\$200.00	each		\$0.00
Combo-Clean_Tune and Prog Thermostat	\$350.00	total		\$0.00
Clean and Tune - AC/Heat Pump	\$200.00	each		\$0.00
Clean and Tune - Stove/DHW	\$150.00	each		\$0.00
Clean & Tune - Furnace/Boiler	\$325.00	each		\$0.00
Replace Furnace Blower Motor (Health and Safety)	\$250.00	each		\$0.00
Furnace Replacement - Electric	\$2,100.00	NTE		\$0.00
Furnace Replacement - Gas AFUE 90% (Output 70K)	\$4,200.00	NTE		\$0.00
Furnace Replacement - Gas AFUE 92% (Output 70K)	\$4,135.00	NTE		\$0.00
Furnace Replacement - Gas AFUE 95% (Output 70K)	\$4,100.00	NTE		\$0.00
High Limit Switch - Replacement	\$100.00	NTE		\$0.00
Heat Pump - Install Breaker Box	\$1800.00 - \$2500.00	total		
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 18k/18k)	\$4,850.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 24k/24k)	\$5,100.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 30k/30k)	\$5,250.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 36k/36k)	\$5,180.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 40k/40k)	\$5,265.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 48k/48k)	\$5,350.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF 8.5, SEER 15, Output 60k/60k)	\$5,890.00	NTE		\$0.00

Replace Central AC 16 SEER 2 Ton	\$4,150.00	NTE		\$0.00
Replace Central AC 16 SEER 3 Ton	\$4,775.00	NTE		\$0.00
Furnace Replacement - Oil AFUE 85% (Output 70K)	\$4,500.00	NTE		\$0.00
Heat Pump Replacement - ASHP (HSPF8.5, SEER 16, Output 48k/48k)	\$6,020.00	NTE		\$0.00
Gas Boiler Replacement 85AFUE 70k	\$5,000.00	NTE		\$0.00
Boiler Pipe Insulation - R-7 Wrap	\$2.35	per lf		\$0.00
Gas/Oil Boiler Replacement 90AFUE 70K	\$7,200.00	NTE		\$0.00
Boiler - Install Over Flow Pipe	\$250.00	NTE		\$0.00
Boiler Leak - Repair	\$200.00	NTE		\$0.00
Oil Boiler Replacement 85AFUE 70 MBH	\$6,000.00	NTE		\$0.00
HVAC Duct Sealing (mastic, mastic tape)	\$1.95	per LF		\$0.00
HVAC Duct Sealing (Mastic) + R-8 Insulation - attic	\$4.00	per lf		\$0.00
HVAC Duct Sealing (Hi Temp Tape) + R-6 Insulation	\$5.25	per lf		\$0.00
HVAC Duct Sealing (Hi Temp Tape) + R-8 Insulation	\$5.35	per lf		\$0.00
HVAC Duct Insulation - R-6 Wrap	\$2.80	per LF		\$0.00
HVAC Duct Insulation - R-8 Wrap	\$3.05	per LF		\$0.00
HVAC Duct Sealing - Hi-Temp Tape	\$2.75	per LF		\$0.00
HVAC Chimney Repairs/Chimney liner (Double)	\$1,200.00	NTE		\$0.00
HVAC Chimney Repairs/Chimney liner (Single)	\$800.00	NTE		\$0.00
HVAC Chimney Repairs	\$50.00	NTE		\$0.00
HVAC Gas Valve	\$160.00	NTE		\$0.00
Remove/Replace Oil Tank <275 gal. (interior, above ground only)	\$600	NTE		\$0.00
<b>Appliances</b>				
DHW - Replace	\$935.00	NTE		\$0.00



DHW - Circulator Pump	\$600.00	NTE		\$0.00
DHW - Expansion Tank	\$250.00	NTE		\$0.00
ES - Kenmore - 60602 18' CF, Top Freezer, E-STAR, WHITE	\$770.00	each		\$0.00
ES - Hotpoint - HPE15BTHWW 14.6 CF, Top Freezer, E-STAR WHITE	\$550.00	each		\$0.00
ES - GE - GTE15CTHLWW 14.6 CF, Top Freezer, E-STAR WHITE	\$600.00	each		\$0.00
ES - GE - GTE16DTHWW 15.5 CF, Top Freezer, E-STAR WHITE	\$630.00	each		\$0.00
ES - Kenmore - 60402 16' CF, Top Freezer, E-STAR WHITE	\$590.00	each		\$0.00
ES - GE - GTN18CBEWW 18' CF, Top Freezer, E-STAR, WHITE	\$630.00	each		\$0.00
ES - Whirlpool - EH155FXBQ 14.8' CF, Chest Freezer, E-STAR, WHITE	\$530.00	each		\$0.00

## Appendix H - Equipment Tracking Data Form



## Appendix I - DOE Close Out Form

<b>DOE CLOSE OUT</b>		DHCD HBEP Weatherization Assistance Program				
SUB-GRANTEE INFORMATION						
Grant Agreement No:				PROGRAM: DOE		
				SCHEDULED CLOSEOUT DATE: 6/30/20XX		
Sub-Grantee Name:				Agreement Amount		
				\$		
Address (Number, Street, PO Box Number)				Term of the Agreement		Program Year
City, State, and ZIP Code+ Four (00000-0000)				Date Closeout Recieved:		Date Approved
<b>Summary of Expenditures (must match Invoiced Totals)</b>						
1	2	3	4	5	6	7
Line Item Categories	Final Grant Budget Amount	Final Grant Expended Amount	Percent	Local Match or Program Income*	Total Combined Expended Amount (grant &	Balance of Grant
ADMINISTRATION (MAX 5%)						
LIABILITY INSURANCE						
AUDIT COSTS						
BASE PROGRAM OPERATIONS						
HEALTH & SAFETY						
TOTAL DOLLARS:						
Final Invoice Number:						
		Yes or No	Date Paid			
Has your final invoice been paid?						
*Local Match or Program Income Source						
TOTAL BASE COMPLETIONS		ATTACH Page 1 of Quarterly Report & Last Page of Job Expense				
TOTAL HEALTH & SAFETY COMPLETIONS						
AVERAGE COST PER BASE UNIT COMPLETE						
I hereby certify that the above information is correct, all expenditures relating to this Grant Agreement Number are accurately reported and all completions relating this grant were completed as reported above.						
Signature of Person Completing this Form:						
Name and Title:						
Phone and Email:						
Signature of Agency Executive Director or Authorized Signature:						
Date Signed:						

Appendix J - Vehicle and Equipment Disposal Request

DHCD HBEP  
Weatherization Assistance Program  
Vehicle and Equipment Disposal Request

*The U.S. Department of Energy must provide prior approval for the purchase of vehicles and equipment with a purchase price of greater than \$5,000. Vehicle purchase may not be completed with T/TA funds.*

Agency Name:			
Trade-in/ Disposal Item (Year, Make, Model Required if Replacement)	Trade-in/Disposal Process (Junked, private sale, etc.)	Trade-in/Disposal Condition/Value	Fund Source (Admin, Prog. Support)

*Your signature here verifies that the above information is accurate.*

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
Local Agency Authorized Representative

Signature \_\_\_\_\_ Date: \_\_\_\_\_  
DHCD Program Manager